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TS-181

September 1982

Tobacco

921848

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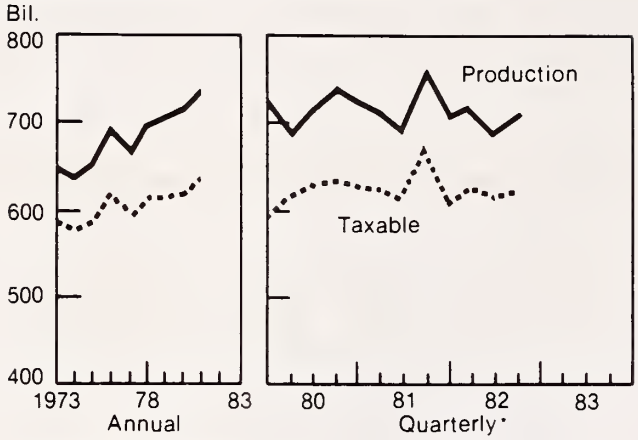
Tobacco Outlets

Trends in U.S. Manufactured Products and Exports

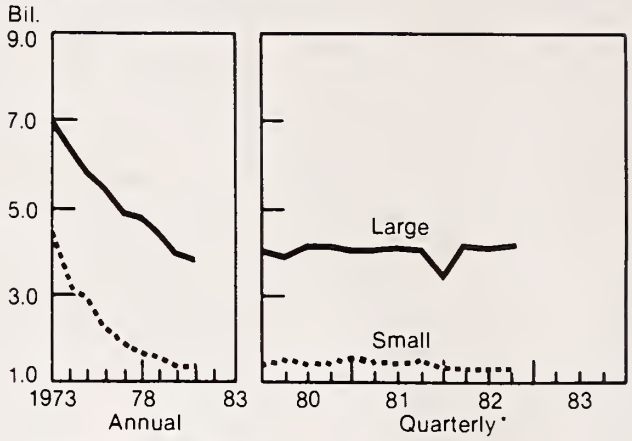
Cigarettes Production and Taxable Removals



Last quarter shown estimated
*Seasonally adjusted at annual rates.

Neg. ERS 229-82(6)

Cigars and Cigarillos Production



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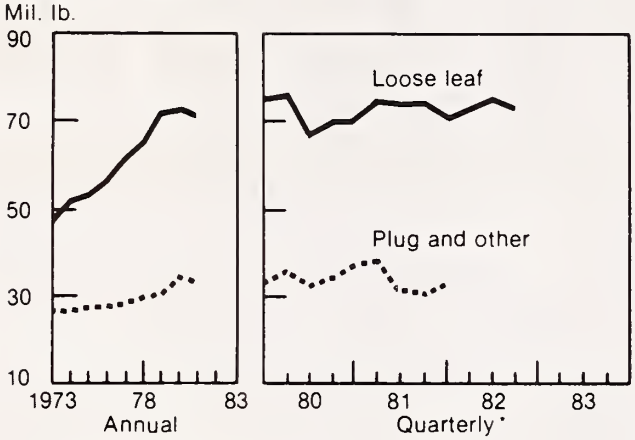
Chewing Production



Last quarter shown estimated.
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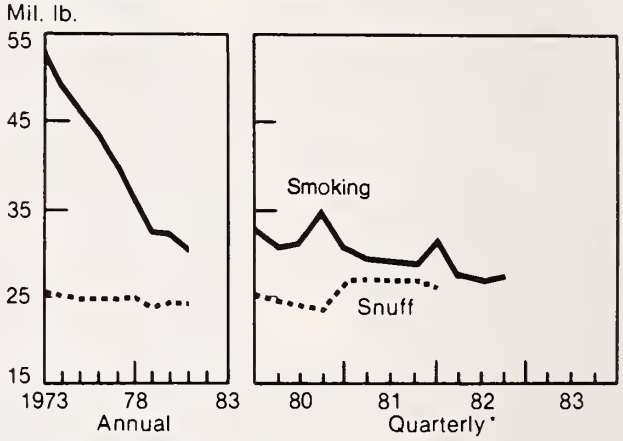
Smoking and Snuff Production



Last quarter shown estimated.
*Seasonally adjusted at annual rates.

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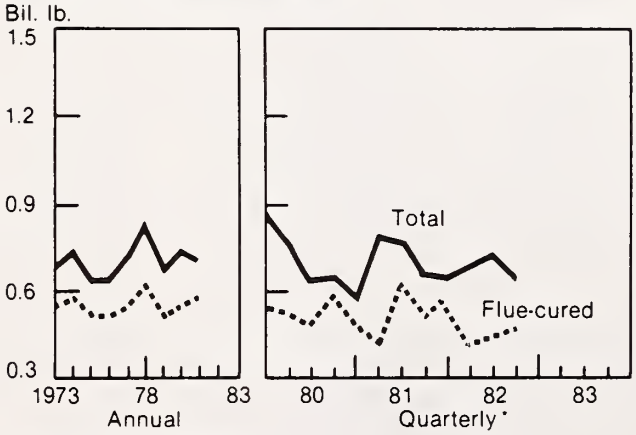
Leaf Exports, Farm-Sales Weight



Last quarter shown estimated
*Seasonally adjusted at annual rates

USDA

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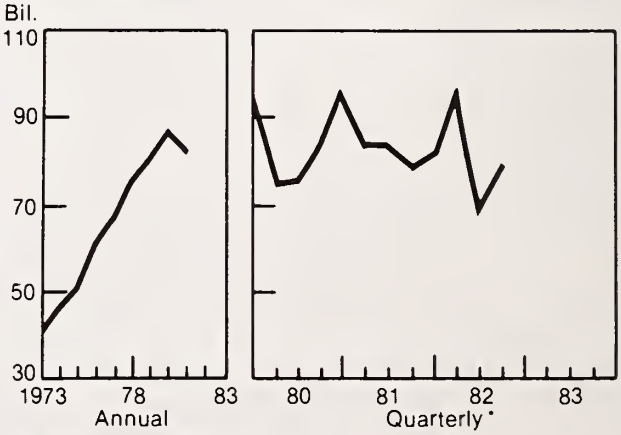
Cigarette Exports



Last quarter shown estimated.
*Seasonally adjusted at annual rates.

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Outlook Conference, November 29-December 2

The *Tobacco Situation* is published in March, June, September, and December.

Approved by
The World Agricultural
Outlook Board
and Summary released
September 14, 1982

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Summary

Tobacco Production Down But Supply Is Larger This Season

The September 1 estimate for all U.S. tobacco output was 1.92 billion pounds (873,000 metric tons), down 7 percent from 1981, because total acreage was lower. The August estimate showed that acreage and yields were up for burley. But the decline in the flue-cured acreage and yield more than offset burley increases. Weather and other factors can still affect final production. Estimated ending stocks going into the new marketing year are 3.54 billion pounds (1.61 million metric tons), about 8 percent higher than a year earlier.

Even with a smaller crop, the larger beginning stocks should result in a 3-percent larger supply for 1982/83 (beginning July 1 for flue-cured and cigar wrapper types, October 1 for all others). The supply is estimated at 5.5 billion pounds (2.53 million metric tons), with burley accounting for most of the increase.

Prospects for world tobacco use indicate relatively small increases in sales of cigarettes and unmanufactured tobacco. U.S. tobacco disappearance may fall from last year's 1.78 billion pounds (807,000 metric tons). U.S. tobacco export prospects are dampened by the smaller and less desirable flue-cured crop. The strong dollar further discourages exports. Exports for the year ending June 30, 1983, will likely be below last year's 585 million pounds (711 million, farm sales weight).

U.S. cigarette output this year is expected to decline from the 735 billion produced in 1981. Because of tax and wholesale price increases, cigarette consumption will likely remain the same or fall in 1982, and the smoking rate per person (18 and older) will likely drop from 1981's 193 packs.

The 1982 flue-cured crop, estimated in August at 978 million pounds (444,000 metric tons), is down 16 percent. Despite the smaller crop, though, the supply of flue-cured is 3.1 billion pounds (1.428 million metric tons), about the same as last year. Overall, the supply remains ample at about 3.1 years' use. June 30 ending stocks were up 7 percent. During 1981/82, exports rose but domestic use declined. This season's use may decline some from last year's 1.01 billion pounds, so the 1982 carryover will likely change little from this year.

Flue-cured sales began on July 21. By September 9, growers had marketed about 60 percent of the crop, with 23 percent of marketings going under loan. Poorer growing conditions lowered leaf quality this year, and prices of some lower-stalk grades are averaging less than last year. This factor, combined with weaker domestic and export demand, brought average flue-cured prices only 12 cents above year-earlier levels, despite the 7-percent increase in the price support. Sales through September 9 averaged $1.76 a pound, about 7 percent above the previous year. With a smaller average price increase for all grades and with lower production, flue-cured cash

receipts will likely decline from last year. Net receipts will decline even more, because of higher production costs.

This year's burley crop is expected to be the largest on record, but favorable curing conditions will be required to reach the forecast. Next year's supply of burley, which is 9 percent more than this season, represents 2.8 years' use and again provides adequate stocks. This year's ending stocks are projected to be 11 percent higher than last year.

Smaller crops are forecast for Maryland and cigar tobaccos. Crops of fire-cured and dark air-cured tobaccos should be larger.

The No-Net-Cost Tobacco Program Act of 1982 provides for operating the tobacco price support program at no net cost to taxpayers except for administrative costs. To receive price support, growers must contribute to a fund or account that will be used to cover losses incurred under the program. Another provision of the law gives the Secretary of Agriculture discretion to set price support increases at only 65 percent of what they would be under the old formula, if some grades of a type of tobacco are determined to be in excess supply. Also, the new act permits the sale of flue-cured allotments within county boundaries and requires nonfarming entities to sell their tobacco allotments.

The national marketing quota for the 1983 flue-cured crop must be announced by December 1. Individual farm quotas and allotments will reflect undermarketings and overmarketings in the current crop. Marketing quotas for burley and other kinds of tobacco will be announced by February 1, 1983. Under the old law, the basic formula for tobacco price supports for eligible tobaccos would result in an increase of about 8 percent over 1982. However, the Secretary, under the new law, could hold the increase to about 5.2 percent.

Tobacco Situation

TOBACCO PRODUCTS

Cigarette Consumption Likely To Stabilize or Drop

U.S. cigarette smoking in 1982 will either stabilize or fall, ending 4 years of growth. Product wholesale prices and State tax increases are major contributors to the lack of growth. Antismoking activity, economic recession, and scheduled further cigarette tax increases may also be partly responsible (table 1).

Americans smoked an estimated 321 billion cigarettes in the first half of 1982, about 2 billion fewer than a year earlier. Second-half use may fall below the 317 billion smoked during July-December 1981. Low-tar, low-nicotine cigarettes (containing 15 milligrams of tar or less) account for over half of total sales. Consumption per capita (18 and older) this year is estimated at 189 packs (3,778 cigarettes), a 2-percent drop from last year (table 2).

During the first 6 months of 1982, cigarette exports declined by 9 percent (table 3). Shipments to Asia and Africa declined, while those to Europe increased. Consid-

Table 1—Cigarettes: U.S. output, removals, and consumption, 1972-82

Year	Output	Removals Tax-exempt					Estimated inventory increase	Total U.S. consumption[3]
		Taxable	Total	Exports	Shipments[1]	Overseas forces[2]		
				Billion				
1972	599.1	551.0	49.0	34.6	2.1	12.3	−3.3	566.8
1973	644.2	590.3	55.9	41.5	2.0	12.4	13.1	589.7
1974	635.0	576.2	59.2	46.9	1.9	10.4	−12.1	599.0
1975	651.2	588.3	62.3	50.2	1.5	10.6	−7.7	607.2
1976	693.4	617.9	72.1	61.4	1.9	8.8	13.5	613.5
1977	665.9	592.0	78.1	66.8	1.1	10.2	−14.4	617.0
1978	695.9	614.2	85.1	74.4	1.2	9.6	8.2	616.0
1979	704.4	614.0	93.8	79.7	1.1	13.0	5.7	621.5
1980	714.1	620.5	94.2	82.0	1.0	11.2	2.3	631.5
1981[4]	734.7	636.1	92.0	82.6	1.0	8.4	5.0	640.0
1982[5]	708.0	624.0	84.0	76.0	1.0	7.0	−2.5	634.0
				Year ending June 30—				
1973	615.6	562.7	52.2	38.3	2.3	11.6	−2.2	576.8
1974	652.0	594.9	59.1	44.9	2.0	12.2	12.2	595.0
1975	626.8	570.3	57.4	46.6	1.7	9.1	−21.7	601.0
1976	688.2	619.1	69.8	58.2	1.9	9.6	14.0	615.0
1977	671.7	596.3	74.1	62.8	1.3	10.0	−9.7	616.5
1978	685.4	609.6	81.5	69.4	1.0	11.1	3.0	618.0
1979	707.0	615.2	92.2	78.8	1.2	12.2	12.1	616.0
1980	697.0	605.8	93.2	82.9	1.3	9.0	−7.2	622.0
1981[4]	727.8	631.4	92.0	83.0	1.0	10.0	5.0	637.0
1982[5]	721.5	632.3	86.8	78.8	1.0	7.0	4.1	635.7

[1]To Puerto Rico and other U.S. possessions. [2]Includes ship stores and small tax-exempt categories. [3]Taxable removals, overseas forces, inventory change and imports (negligible). [4]Subject to revision. [5]Estimated.

Compiled from reports of the Bureau of Alcohol, Tobacco, and Firearms and the Bureau of the Census.

Table 2—Consumption per capita of tobacco products in the United States (including overseas forces), 1973-82

Year	Per capita 18 years and over				Per male 18 years and over			
	Cigarettes[1]		Snuff	All tobacco products[1]	Large cigars and cigarillos		Smoking tobacco[2]	Chewing tobacco
	Number	*Pounds*	*Pounds*	*Pounds*	*Number*	*Pounds*	*Pounds*	*Pounds*
1973	*4,148*	*7.92*	*(3)*	*(3)*	*102.4*	*1.61*	*.88*	*(3)*
1974	*4,141*	*7.90*	*(3)*	*(3)*	*91.9*	*1.47*	*.87*	*(3)*
1975	*4,123*	*7.73*	*(3)*	*(3)*	*82.4*	*1.32*	*.76*	*(3)*
1976	*4,092*	*7.35*	*(3)*	*(3)*	*75.0*	*1.20*	*.75*	*(3)*
1977	*4,051*	*7.21*	*(3)*	*(3)*	*67.9*	*1.13*	*.65*	*(3)*
1978	*3,967*	*6.89*	*(3)*	*(3)*	*63.4*	*1.05*	*.60*	*(3)*
1979	*3,850*	*6.97*	*(3)*	*(3)*	*55.0*	*.90*	*.50*	*(3)*
1980[4]	*3,845*	*6.87*	*(3)*	*(3)*	*50.4*	*.83*	*.47*	*(3)*
1981[4]	*3,853*	*6.56*	*.26*	*7.66*	*48.8*	*.81*	*.46*	*1.13*
1982[5]	*3,778*	*6.39*	*.26*	*7.41*	*45.3*	*.75*	*.41*	*1.15*

[1]Unstemmed processing weight. [2]Finished product weight. [3] New product classifications became effective January 1, 1982. Revisions for 1980 and prior years not available. [4]Subject to revision. [5]Estimated. Data prior to 1979 do not include results of 1980 census.

Table 3—U.S. cigarette exports to leading destinations, 1981-82

Country	July 1981 June 1982	January-July 1981	January-July 1982[1]
	Billions		
Belgium-Luxembourg	18.7	9.3	10.0
Hong Kong	8.3	4.4	4.4
United Arab Emirates	1.8	2.2	.4
Netherlands Antilles	3.8	2.8	2.2
Saudi Arabia	5.1	2.9	2.7
Japan	5.4	2.8	2.6
Kuwait	1.7	1.4	.7
Spain	1.1	.6	.7
Canary Islands	.7	1.6	.4
Columbia	1.7	1.0	1.1
Other	30.5	19.9	18.2
Total	78.8	48.9	43.4

[1]Subject to revision

Complied from publications and records of the Bureau of the Census.

ering both domestic and foreign sales prospects for the rest of the year, 1982's cigarette production may drop.

Retail prices were 8 percent higher in June than a year earlier (table 4). Manufacturers raised wholesale prices in February 1982 and again in August. Since September 1981, wholesale prices have risen about 12 percent. Nine States have raised cigarette tax rates so far this year. The weighted State tax on cigarettes was 13.9 cents a pack in mid-1982, ranging from 2 cents a pack in North Carolina to 25 cents in Wisconsin. Many cities and other local governments also tax cigarettes. The Federal excise tax has remained at 8 cents a pack since 1951, but on August 19 Congress passed and on September 3 the President signed into law a measure that will raise the Federal excise tax on cigarettes to 16 cents a pack, effective January 1, 1983. Under current law, the tax will revert to 8 cents a pack October 1, 1985. This tax increase will likely reduce cigarette consumption.

Table 4—Tobacco demand factors, 1972-82*

Year	Population July[1]	Disposable personal income, per capita[2]		Consumer price indexes[3]				
		Current prices	1972 prices	All item	Tobacco products	Cigarettes: Nonfilter tip regular	Cigarettes: Filtertip, King size	Cigars, regular size
	Million,	*Dollars*				*1967=100*		
1972	139.8	3,880	3,880	125.3	133.4	134.8	135.4	110.8
1973	142.2	4,346	4,112	133.1	137.0	138.7	139.1	112.9
1974	144.7	4,710	4,050	147.7	143.8	145.5	145.9	119.5
1975	147.3	5,132	4,099	161.2	153.9	156.0	156.5	124.2
1976	150.5	5,550	4,217	170.5	160.5	162.7	163.2	129.9
1977	152.6	6,046	4,334	181.5	168.0	170.6	171.0	135.0
1978	155.3	6,688	4,486	195.4	177.3	—	179.8	[4]103.9
1979	161.5	7,293	4,493	217.5	187.9	—	189.7	[4]110.6
1980	164.3	8,002	4,473	246.8	202.6	—	205.2	[4]120.0
1981[5]	166.1	8,768	4,525	272.4	218.9	—	221.4	[4]131.2
1982[6]	167.8	9,300	4,580	291.0	238.0	—	240.0	[4]141.0

[1]18 years and older including forces overseas. [2]Based on total population. [3]All urban consumers, 1978-82; urban wage earners and clerical workers, 1970-77. [4]Other tobacco products and smoking accessories, December 1977=100. [5]Subject to revision. [6]/Estimated. *Data prior to 1979 does not include results of 1980 census.

Table 5—Wholesale cigarette price revision, 1977-82[1]

Approximate date of change[2]	Net price per 1,000				Net price per 1,000 excluding Federal excise tax			
	Standard	King size	Filter tips	100 millimeter	Standard	King size	Filter tips	100 millimeter
	Dollars							
August 1977	14.35	14.35	14.35	14.85	10.35	10.35	10.35	10.85
June 1978	15.20	15.20	15.20	15.70	11.20	11.20	11.20	11.70
Dec. 1978	15.75	15.75	15.75	16.25	11.75	11.75	11.75	12.25
June-July 1979	16.30	16.30	16.30	16.80	12.30	12.30	12.30	12.80
Jan. 1980	17.05	17.05	17.05	17.55	13.05	13.05	13.05	13.55
May 1980	17.65	17.65	17.65	18.15	13.65	13.65	13.65	14.15
November 1980	18.50	18.50	18.50	19.00	14.50	14.50	14.50	15.00
April 1981	19.35	19.35	19.35	19.85	15.35	15.35	15.35	15.85
September 1981	20.20	20.20	20.20	20.70	16.20	16.20	16.20	16.70
February 1982	21.20	21.20	21.20	21.70	17.20	17.20	17.20	17.70
August 1982[3]	22.70	23.20	22.70	23.70	18.70	19.20	18.70	19.70

[1]Includes leading brands. A 3-percent discount is made for payment within 10 days or 2 percent within 14 days. [2]For 1940-74, see TS-151, March 1975; 1974-76, see TS-177, September 1981. [3]Some manufacturers increased prices by a smaller amount.

Table 6—Cigars and smoking tobacco: Output, removals, and consumption, 1979-82

Year and item	United States factories			From Puerto Rico, taxable	Imports	Exports	Total U.S. consumption[1]
	Output	Removals					
		Taxable	Tax-exempt				
	Million						
Large cigars and cigarillos							
1979	3,601	3,353	179	842	107	177	4,304
1980	3,454	3,291	201	590	119	[3]200	4,001
1981	3,428	3,256	160	534	124	181	3,893
1982[2]	3,550	3,025	167	540	105	190	3,647
	Year ending June 30						
1979	3,703	3,478	167	961	99	178	4,527
1980	3,411	3,300	188	667	106	[3]190	4,071
1981	3,506	3,289	187	558	133	[3]200	3,967
1982[3]	3,463	3,142	170	542	107	180	3,781
	Million pounds						
Smoking tobacco							
1979	32.8	32.3	.9	—	7.0	.9	39.3
1980	32.2	30.6	.8	—	6.7	.8	37.3
1981	30.4	30.0	.8	—	6.6	.9	36.5
1982[2]	28.2	27.8	.8	—	5.5	1.0	33.1
	Year ending June 30						
1979	34.3	33.7	.8	—	7.1	1.0	40.6
1980	31.7	31.2	.9	—	5.0	.8	36.2
1981	31.3	30.2	.8	—	5.5	.9	35.7
1982[3]	29.3	29.1	.8	—	4.5	1.0	33.4

[1]Total removals (or sales) from U.S. factories plus those from Puerto Rico, and imports, minus exports. [2]Subject to revision. [3]Estimated.

Compiled from reports of the Bureau of Alcohol, Tobacco, and Firearms, Bureau of the Census, and AMS, USDA.

Cigar Consumption Continues Downward Trend

Total consumption of large cigars (including cigarillos) this year will likely fall from 1981's 3.9 billion. This expected decrease continues the trend of the last 12 years (table 7).

About 7 percent fewer cigars are being smoked this year, per male 18 and older, than 1981's average of 49 cigars. Midyear wholesale prices averaged 7 percent above a year ago. Taxable removals (domestic consumption of cigars by revenue class) through June showed gains in medium-priced categories and declines in high and low groups.

Table 7—Tobacco products: Output by category, 1973-82

Period	Chewing tobacco								Smoking tobacco in bulk (exports)
	Plug-firm	Plug moist	Twist	Loose leaf	Total[1]	Snuff-Dry	Snuff-moist	Small cigars[2]	
				Million pounds				*Millions*	*Million pounds*
1973	(3)	(3)	2.1	47.6	(3)	(3)	(3)	4,415	26.0
1974	(3)	(3)	2.2	52.9	(3)	(3)	(3)	3,101	38.9
1975	(3)	(3)	2.2	53.7	(3)	(3)	(3)	2,942	17.6
1976	(3)	2.3	56.3	(3)	(3)	(3)	2,246	13.9	
1977	(3)	(3)	2.2	61.3	(3)	(3)	(3)	1,864	9.8
1978	(3)	(3)	2.1	64.6	(3)	(3)	(3)	1,645	4.2
1979	(3)	(3)	2.0	71.7	(3)	(3)	(3)	1,544	27.0
1980	(3)	(3)	2.0	75.5	(3)	(3)	(3)	1,440	25.0
1981	11.4	6.5	1.8	70.3	90.0	11.7	30.7	1,395	12.5
1982[4]	10.6	5.5	1.8	74.5	92.4	12.0	32.0	1,275	18.0
				Year ending June 30					
1973	(3)	(3)	2.2	46.0	(3)	(3)	(3)	5,580	26.0
1974	(3)	(3)	2.1	48.1	(3)	(3)	(3)	3,428	33.4
1975	(3)	(3)	2.2	54.6	(3)	(3)	(3)	3,158	34.4
1976	(3)	(3)	2.3	56.7	(3)	(3)	(3)	2,513	11.8
1977	(3)	(3)	2.3	58.5	(3)	(3)	(3)	2,055	13.4
1978	(3)	(3)	2.1	62.8	(3)	(3)	(3)	1,846	3.4
1979	(3)	(3)	2.1	66.7	(3)	(3)	(3)	1,459	25.6
1980	(3)	(3)	1.9	74.5	(3)	(3)	(3)	1,501	25.5
1981	(3)	(3)	1.8	69.7	(3)	(3)	(3)	1,452	12.5
1982s6[5]	10.7	5.3	1.8	72.8	90.6	8.9	32.4	1,319	16.3

[1]Detail may not add to total due to rounding. [2]Weigh not more than 3 pounds per thousand. [3]New product classifications became effective January 1, 1982. Revisions for 1980 and prior years are not available. [4]Estimated. [5]Subject to revision.

According to the annual survey by the Cigar Association of America, sales of cigarillos totaled 1.38 billion in 1981, up 2 percent from a year earlier. Cigarillos weigh between 3 and 10 pounds per 1,000—less than half the traditional cigar. Last year, cigarillo sales (based on taxable removals) were 36 percent of the total sales of large cigars and cigarillos, 2 percent above 1980. The cigarillo share reached a high of 38 percent in 1971.

For the year, output of little cigars (weighing 3 pounds or less per 1,000) may fall by a tenth from last year's 1.4 billion.

Smoking tobacco used in pipes and for roll-your-own cigarettes may fall below last year's 36-1/2 million pounds (table 6), continuing the last decade's downtrend. In the first half of the year, domestic use including imports totaled 16.5 million pounds—10 percent below a year earlier. By midyear, wholesale prices averaged 11 percent above a year ago.

Smokeless Tobacco Output Mixed

Chewing tobacco production in 1982 is expected to rise from the 90 million pounds produced in 1981. Output of loose leaf chewing tobacco is rising, but plug production is down. Total snuff production is up a little from a year ago. Moist snuff production is up, while dry output is down.

U.S. EXPORTS AND IMPORTS

U.S. Leaf Exports Unchanged In First-Half 1982

U.S. exports of unmanufactured tobacco during January-June were essentially the same as last year. Of the two major categories, flue-cured declined by 11 percent and burley rose by 45 percent (table 8). Strong demand for last season's burley crop pushed 1981/82 U.S. unmanufactured exports up 6 percent to 585 million pounds (711 million, farm sales weight). Total value of unmanufactured exports rose to $1.5 billion. The 1982 flue-cured crop is apparently lower in quality than last year's, so 1982/83 U.S. leaf exports are likely to fall from last season's level. Overseas manufacturers are likely building inventories with non-U.S. flue-cured tobacco this season.

World cigarette trade rose to an alltime high in 1981, 5 percent over 1980. The United States, Bulgaria, West Germany, the Netherlands, and the United Kingdom accounted for three-fourths of total exports.

Foreign cigarette production, excluding China, increased by 1.9 percent last year. Although the rate of increase was larger than a year earlier, expansion was held down by price and tax increases, antismoking cam-

Table 8—United States exports of unmanufactured tobacco by type and to principal importing countries 1979-92

(Declared weight)

Type and country	Year ending June30				January-July		1982 as a percentage of 1981
	1979	1980	1981	1982[1]	1981[1]	1982[2]	
	Million pounds						*Percent*
Type:							
Flue-cured	439.5	398.5	361.0	369.0	173.5	155.0	89
Burley	66.3	98.6	72.5	90.2	61.1	82.4	135
Maryland	7.2	6.1	5.2	4.7	3.8	3.5	92
Fire-cured, Ky, and Tenn.	16.1	15.5	16.3	10.2	10.8	7.6	70
Virginia fire and sun-cured	2.1	2.9	2.5	1.5	.9	1.4	156
Green River and One Sucker	.4	.2	.1	.1	*	.1	0
Black Fat	1.9	2.7	3.2	2.6	1.5	2.1	140
Cigar wrapper	4.7	4.8	3.5	1.4	1.9	.6	32
Cigar binder	*	.1	.2	.1	.1	.1	100
Cigar filler	.1	.1	.6	.1	.4	.1	25
Perique	.1	.1	.1	.1	*	*	—
Stems, trimmings and scrap	86.6	81.4	80.3	68.5	42.8	37.1	87
Other, unmanufactured, NEC[2]	5.7	6.4	7.8	8.9	4.8	4.5	94
Total	671.9	617.4	553.4	557.4	301.6	294.5	98
Country of destination							
United Kingdom	125.2	43.2	43.1	35.1	17.1	14.2	83
France	14.6	4.8	6.3	4.6	4.1	2.7	66
Belgium-Luxembourg	11.0	8.5	8.2	8.9	5.3	5.0	94
Netherlands	33.9	45.1	33.7	26.2	17.6	14.8	84
West Germany	58.4	96.7	82.7	75.9	47.7	37.4	78
Denmark	24.5	20.9	11.1	14.1	5.3	7.9	149
Ireland	7.0	4.9	3.3	6.0	2.5	3.7	148
Italy	36.6	30.3	27.3	28.2	23.9	26.4	110
Total EC	311.2	254.4	215.7	199.1	123.4	112.1	91
Switzerland	22.6	24.7	16.7	23.4	12.1	11.5	95
Finland	8.2	9.3	9.2	8.6	6.3	3.8	60
Norway	4.9	6.8	4.3	4.3	1.6	1.5	94
Sweden	11.8	15.4	14.9	7.9	3.6	1.6	44
Spain	10.4	15.6	31.6	32.7	18.8	17.3	92
Thailand	18.8	22.6	18.4	27.7	18.4	27.7	151
Korea, Rep of	21.1	29.7	*	11.8	*	1.1	0
Malaysia	10.3	7.2	7.5	8.6	2.8	4.9	175
Philippines	13.3	13.6	11.4	11.6	8.9	8.4	94
Taiwan	34.1	29.7	13.3	22.0	2.8	2.5	89
Japan	102.2	78.2	108.9	96.9	26.7	24.1	90
Australia	11.0	14.2	13.1	11.4	6.1	4.9	80
New Zealand	3.7	4.2	3.0	4.0	1.8	2.3	127
Egypt	15.5	38.5	14.2	18.7	16.1	18.5	115
Other countries	72.8	53.3	71.2	77.5	52.2	51.9	99
Total	671.9	617.4	553.4	584.7	301.6	294.5	98

[1]Subject to revision. [2]New classification, January 1, 1978. Previously included in manufactured in bulk. *Less than 50,000 pounds.

Detail may not add to total due to rounding. Complied from publications and records.

paigns, and low population growth in developed countries. Also, leaf tobacco use per cigarette has been declining. Increased use of filters is one factor. Filter cigarettes accounted for 87 percent of the total output in Western Europe and Japan.

High prices are dampening cigarette consumption in several developed countries, particularly in the United Kingdom and West Germany, where large increases in excise duties have occurred. In 1981 the United Kingdom's cigarette output declined by 5 percent and domestic cigarette sales fell by 10 percent. Cigarette production rose by 6 percent in West Germany but consumption fell by 1 percent. Output in West Germany will likely fall in 1982 because of a recent 32-percent excise tax increase on cigarettes and other tobacco products. In the largest producing and consuming country, the People's Republic of China, cigarette output rose by 14 percent in 1981. China's demand for cigarettes has been growing rapidly, reflecting increases in incomes. To meet this demand measures were implemented in 1981 to improve efficiency in manufacturing, increase production of filter-tips, and utilize types of tobacco other than flue-cured.

Zimbabwe, one of the United States' major foreign competitors, produced a large crop of tobacco this year and is expected to export over 200 million pounds of leaf. Despite lower average quality, the Zimbabwean crop appeals to several importers. The Zimbabwean dollar has been depreciated this year, further enhancing export prospects.

The total value of exports of U.S. tobacco and products reached a record $2.8 billion in 1981/82, 16 percent above 1980/81. Even with a lower volume, higher prices could result in another record value in 1982/83.

Table 9—U.S. imports of unmanufactured tobacco for consumption and general, principal categories, and countries of origin, 1981/82, and January-July 1981[1]

(Declared weight)

Classification and country of origin	Imports for consumption				General imports (arrivals)			
	Year July 1981 June 1982	January-July 1981	January-July 1982	1982 as a percentage of 1981	Year July 1981 June 1982	January-July 1981	January-July 1982[1]	1982 as a percentage of 1981
	Million pounds			*Percent*	*Million Pounds*			*Percent*
Cigarette tobacco:								
Leaf:								
Oriental								
Turkey	104.5	54.4	56.9	105	177.1	59.7	100.8	169
Greece	25.7	14.6	14.1	97	31.3	23.8	28.5	120
Yugoslavia	11.6	7.5	6.2	83	10.0	7.2	9.9	138
Bulgaria	12.6	6.0	5.9	98	15.7	14.1	10.6	75
Other countries	23.7	16.0	11.9	74	12.8	10.6	5.8	55
Flue-cured	7.7	9.9	3.0	30	12.8	5.0	8.1	162
Burley	2.7	30.9	4.5	15	24.3	38.5	16.6	43
Other	2.5	2.2	1.1	50	2.4	.5	.7	140
Subtotal	191.0	141.5	103.6	73	286.4	159.4	181.0	114
Manufacutred or not manufactured, not specially provided for, other								
Brazil	33.6	18.6	18.3	98	57.4	32.7	40.2	123
Korea, Republic of	19.5	13.6	7.9	58	17.3	24.2	12.7	52
Mexico	5.0	2.7	2.3	85	3.6	2.5	*	*
Other	37.8	24.0	19.7	82	68.9	29.7	30.8	104
Subtotal	95.9	58.9	48.2	82	147.2	89.1	83.7	94
Scrap:[2]								
Brazil	2.2	1.3	.8	62	2.5	.5	.3	60
Korea, Republic of	*	0	*	*	.8	0	.3	*
Italy	*	0	*	*	.5	0	.5	*
Mexico	*	.4	.3	75	.3	.3	*	*
Turkey	7.8	3.6	5.3	147	6.0	3.3	8.1	245
Other countries	8.2	4.9	4.7	96	6.7	3.8	3.4	89
Subtotal	18.2	10.2	11.1	109	16.8	7.9	12.1	153
TOTAL	305.1	210.6	162.9	77	433.6	248.5	264.7	107
Cigar tobacco:								
Wrapper	.9	.9	1.0	111	1.0	.9	1.0	111
Filler-stemmed and unstemmed								
Dominican Republic	1.2	1.0	.7	70	6.6	3.5	4.6	131
Other countries	2.1	3.8	1.1	29	14.3	8.9	7.0	79
Subtotal	3.3	4.8	1.8	38	20.9	12.4	11.6	94
Scrap:								
Philippine Republic	8.6	5.3	5.0	94	7.4	4.8	2.7	56
Indonesia	6.4	4.2	3.1	74	6.7	3.8	2.8	74
Dominican Republic	6.1	4.1	3.3	80	3.4	2.4	1.0	42
Brazil	3.0	2.0	2.0	100	1.7	4.0	.5	125
Other countries	16.5	9.6	9.4	98	16.6	6.3	7.2	114
Subtotal	40.6	25.2	22.8	90	35.8	21.3	14.2	67
TOTAL	44.8	30.9	25.6	83	57.7	34.6	26.8	77
Stems	34.9	24.9	17.9	72	44.8	29.4	26.8	91
GRAND TOTAL	384.9	266.4	206.4	77	536.1	312.5	318.3	102

[1]Preliminary. [2]Includes minor quantities for smoking tobacco, chewing, tobacco, and snuff. Detail may not add to total due to rounding.

Compiled from publications and records of the Bureau of the Census.

Tobacco Imports Fall

U.S. unmanufactured tobacco imports for consumption were 141 million pounds during January-June 1982, 24 percent lower than a year earlier (table 9). The decline resulted from more adequate supplies of domestic flue-cured and burley tobacco.

Both U.S. cigar and cigarette manufacturers use imported tobacco in their blends. For the year ending June 30, U.S. cigarettes contained about 30 percent imported tobacco and cigars about 55 percent. U.S. imports of cigarette leaf tobacco during January-June were valued at $1.44 a pound, excluding ocean freight and duty. For most imports of cigarette leaf, duty is 11.5 cents a pound, yet most imports still cost considerably less than domestic filler. This could be because in Oriental tobacco—the bulk of cigarette leaf imports—the entire leaf is usable without stemming. Mechanically

Table 10—Imported foreign-grown cigarette leaf stocks, by quarters, 1973-82[1]

Year	Jan. 1	April 1	July 1	Oct. 1	Jan. 1	April 1	July 1	Oct. 1
				Million pounds				
		Foreign-grown flue-cured				Foreign-grown oriental and aromatic		
1973	31	31	40	38	369	376	387	360
1974	38	44	47	54	355	374	383	350
1975	53	49	70	70	377	412	415	380
1976	74	73	72	101	361	431	416	405
1977	100	102	109	117	397	365	362	347
1978	117	120	130	132	344	364	345	295
1979	132	133	147	157	326	359	366	350
1980	153	148	166	166	343	342	367	336
1981	152	140	161	167	316	332	324	320
1982	152	141	200		337	395	403	
		Foreign-grown burley				Total imported cigarette leaf		
1973	17	24	27	36	418	431	455	434
1974	49	59	67	88	442	477	497	493
1975	118	107	145	136	548	567	623	587
1976	134	124	132	141	568	628	619	646
1977	139	132	127	138	637	599	598	602
1978	140	136	150	174	601	619	625	601
1979	172	163	171	188	630	655	684	696
1980	187	192	213	216	683	683	746	719
1981	208	211	244	265	676	684	729	752
1982	272	263	271		760	799	874	

[2]Farm sales weight.

Table 11—U.S. imports of unmanufactured and other tobacco: Quantity and average value by kinds 1981/82

Kind	Quantity Year ending June 30, 1982	Quantity Change from 1980/81	Value per pound Year ending June 30, 1982
		Million pounds	
		Imports for consumption	
Cigarette[1]			
Flue-cured leaf	7.7	−9.6	1.20
Burley leaf	2.7	−45.8	1.13
Other leaf (oriental)	178.1	+2.2	1.42
Scrap	19.2	−.4	.65
Manufactured or not mfd., NSPF	95.9	+22.2	1.40
Cigar			
Leaf	3.7	−5.0	2.76
Scrap	40.7	−1.9	.81
Stems	34.9	+3.0	.16
Total	382.9	−35.0	1.20
		General Imports	
Cigarette[1]			
Flue-cured leaf	12.8	−4.8	1.23
Burley leaf	24.3	−37.6	1.10
Other leaf (oriental)	246.8	+97.0	1.56
Scrap	16.7	−1.0	.61
Manufactured or not mfd., NSPF	147.2	+49.4	1.65
Cigar			
Leaf	21.0	−3.8	1.24
Scrap	35.7	+3.2	.62
Stems	38.6	+.8	.18
Total	543.1	+103.3	1.26

[1]Includes minor quantities for smoking tobacco, chewing tobacco and snuff.

Compiled from publications and records of the Bureau of the Census.

Table 12—All tobacco: Acreage, yield and production, United States, 1965-82

Year	Acreage harvested	Yield per acre	Production
	Thousand acres	*Pound*	*Million pounds*
Average			
1965-69	942	1,958	1,845
1970-74	886	2,053	1,819
1975	1,086	2,008	2,182
1976	1,047	2,041	2,137
1977	966	1,982	1,914
1978	964	2,101	2,025
1979	827	1,845	1,527
1980	921	1,940	1,786
1981	976	2,114	2,062
1982[1]	903	2,131	1,924

[1]Indicated September 1, 1982

threshed leaf is dutiable at 17.5 cents a pound under the tariff category "tobacco manufactured or unmanufactured, not specifically provided for."

U.S. TOBACCO LEAF SITUATION AND OUTLOOK

During this past marketing year about 60 percent of the U.S. tobacco crop was bought for domestic manufacturing and about 40 percent went into export. Disappearance of U.S. leaf rose to 1.8 billion pounds. For 1982, effective farm quotas are lower for both flue-cured and burley tobacco. Acreage declined, resulting in a production forecast of 1.92 billion pounds (September estimate). This is 7 percent lower than last year, but near the average for 1971-80 (table 13). However, weather and other

Table 13—U.S. tobacco allotments, by kinds of tobacco, 1982

Kinds	Allotments	Acreage allotted	Poundage allotted	Average size of allotment
	Number	*Acres*	*Million pounds*	*Acres*
Flue-cured (11-14)[1]	195,501	512,949	976.8	[2]4,996
Burley (31)[3]	309,532	—	777.8	[2]2,513
Va. fire-cured (21)	4,756	9,428	—	1.98
Ky.-Tenn. fire-cured (22-23)	14,127	26,324	—	1.86
Dark air-cured (35-36)	18,894	11,979	—	.63
Va. sun-cured (37)	669	1,297	—	1.94
Cigar binder (51-52)	433	3,242	—	7.49
Cigar filler and binder (42-44, 53-55)	5,746	15,181	—	2.64
Total	549,658	580,400	1,754.6	—

[1]Acreage poundage with national average yield goal of 1,854 pounds per acre. [2]Pounds. [3]Poundage quota.

Compiled from records of the Price Support and Loan Division, ASCS, USDA.

factors can still affect final production. Disappearance is expected to fall short of production, so stocks will rise in 1982/83.

The fee for tobacco inspection and certification was raised to 0.55 cents per pound this marketing season. The fee was 0.45 cents last year but applied only to tobacco sold October 1 or after. The fees, paid by sellers at auction, are collected by USDA through warehouse operators.

No-Net-Cost Tobacco Program To Shift Most Program Expenses to Producers

Section 1109 of the Agriculture and Food Act of 1981 (P.L. 97-98) expressed the intent of Congress that the tobacco program be operated with no net cost to taxpayers, other than administrative expenses.

In keeping with this intent, Public Law 97-218 was signed on July 20, 1982. The new law requires that, to be eligible for price support, producers of all kinds of tobacco, beginning with the 1982 crop, contribute to a fund or account established by the cooperative associations that make Federal support loans available to producers. Flue-cured growers must agree to contribute 3 cents a pound of tobacco marketed in 1982 to a no-net-cost fund handled by the Stabilization Cooperative. The flue-cured fund is different from the burley no-net-cost account in uses and distribution of funds; the flue-cured fund is a contribution toward capital stocks while burley growers will contribute to an operating account. The contribution required of burley and other types of producers except flue-cured will be maintained by the Commodity Credit Corporation. The amount of this contribution for 1982 has not yet been established. Beginning with the 1983 crop, in addition to growers of flue-cured tobacco, owners of flue-cured quota who lease it to others will be required to contribute to the no-net-cost fund.

Another provision of the law gives the Secretary of Agriculture authority to reduce support rates for tobacco grades that are in excess supply, to make them more competitive. However, the weighted average support for all grades of any kind of tobacco must provide for at least 65 percent of the increase specified in the basic law. Flue-cured price support increases for 1982 have been limited the full amount permitted under the new law, to average $1.699 per pound. Price supports for different grades of flue-cured range from $1.12 to $2.21 a pound. Adjustments in loan rates for burley and other types of tobacco have not yet been made. Information is being evaluated, and any adjustments in the basic support rate will be announced before the marketing season begins.

For flue-cured tobacco the law provides, for the first time, authority for owners of allotments and quotas to sell these rights separately from the farms to which the allotments are attached. The allotments and quotas must be sold for use on other farms in the same county and must be to active producers—that is, those who grow the crop or share in the financial risk of growing it.

The legislation requires that corporations, utilities, educational and religious institutions, and other entities owning tobacco allotments, but not significantly involved in farming, sell their allotments by December 1, 1983. The allotments must be sold to active producers or people who plan to become active producers within the same county, or the allotments are forfeited.

Producers of dark air-cured and fire-cured (types 22 and 23) are given authority to adopt a poundage quota program. These types are currently under a program that controls only acreage.

Other provisions of the law include the following:

- The marketing of floor sweepings by warehouse operators is limited to 0.24 percent of producer sales.
- The maximum burley tobacco quota that may be leased and transferred is increased from 15,000 to 30,000 pounds.
- For flue-cured tobacco, fall leasing of allotment and quota is prohibited except in cases of natural disaster.
- The allotment on any flue-cured farm is limited to 50 percent of the eligible cropland.

1983 Support To Increase 5 to 12 Percent

For eligible 1983 crops, the overall price support under basic legislation is likely to rise by 8 percent over 1982. This estimate is based on indicated changes in the parity index. As required by law, the price support adjustment for 1983 will be based on the average of the parity index in 1980, 1981, and 1982, compared with the 1959 index level. But, under the new legislation, the support increase can be held to 65 percent of the amount permitted under the basic price support legislation. In 1982, flue-cured support increases were limited the full amount permitted by law, leaving flue-cured tobacco price supports only 7.1 percent higher than a year earlier. In

Table 14—Flue-cured tobacco auction markets: Gross sales, average price, loan receipts, sales dates, through Sept. 10, 1981 and Sept. 9, 1982

	Gross sales		Average price per pound		Loan receipts				Sales period	
					Volume		Percent of sales		Opening date	Closing date
	1981	1982	1981	1982	1981	1982	1981	1982	1982 (1981)	1982 (1981)
	Million pounds		*Cents*		*Million pounds*		*Percent*			
14, Ga.-Fla.	118.1	119.2	167.0	179.9	5.1	12.4	4.4	10.4	July 21 (July 14)	(Oct. 8)
13, S.C.-Border N.C.	170.5	147.2	166.9	174.1	8.5	37.1	5.0	25.2	July 26 (July 20)	(Nov. 4)
12, Eastern N.C.	233.7	203.6	169.4	177.4	17.5	62.4	7.8	30.6	Aug 3 (July 22)	(Nov. 17)
11, old and middle Belts N.C., Va.[1]	177.1	138.0	158.1	171.1	11.5	30.5	6.5	22.1	Aug 10 (July 22)	(Nov. 16)
All Belts[2]	689.4	608.1	165.2	175.6	42.6	142.3	6.2	23.4	(July 14)	(Nov. 16)

[1]Four Sandhills markets opened with type 12, Eastern N.C. [2]Computed from unrounded data.

Compiled from reports of Tobacco Division, AMS.

1983, price supports for various types of tobacco may increase a minimum of about 5.2 percent to a maximum of nearly 12 percent (from the adjusted 1982 level to the full amount permitted under basic legislation), depending on the supply and demand for that type of tobacco. Flue-cured support price increases are likely to again be adjusted downward from the basic formula.

USDA is considering comments on the size of the 1983 marketing quota for flue-cured. Public meetings are scheduled for Tifton, Georgia, on October 20 and Raleigh, North Carolina, on October 21. Written comments must be received in ASCS by October 26. By December 1, USDA will announce the quota (acreage-poundage) and the matching national acreage allotment. Then, within 30 days of the announcement, flue-cured growers will vote whether to continue acreage-poundage quotas for another 3 years. The program was overwhelmingly approved by allotment holders in the last vote. Individual farm quotas and acreage allotments for next year will reflect this year's overmarketings and undermarketings. Marketings from this year's crop are forecast to about equal the effective quota (table 14).

By February 1, USDA will announce the 1983 poundage for other kinds of tobacco under quota. Shortly after the announcement, growers of burley and Virginia sun-cured types will vote in referendums for or against marketing quotas on their next three crops. Producers of fire-cured, dark air-cured, Ohio filler, and Wisconsin and Connecticut binder types approved marketing quotas applicable to the 1983 crop in previous referendums. However, fire-cured and dark air-cured producers will vote in a referendum on whether to change from acreage allotments to poundage quotas.

Maryland and Pennsylvania tobacco growers, who will also vote, turned down marketing quotas in the last referendum (1980), so Government price support is not available for their 1982 crop. Pennsylvania filler has never had marketing quotas. For Maryland, quotas last applied to the 1965 crop. In Puerto Rico, the Commonwealth Government for many years has set filler tobacco quotas. However, shade-produced wrapper (types 61-62) is not covered by marketing quota legislation.

FLUE-CURED

Sales Prices Gain Less Than Last Year

Excessive rain in June and July over much of the flue-cured belt (types 11-14) resulted in lower yields than last year and may have lowered quality. This year's crop is lighter bodied and less desirable to buyers than last year's crop. Even with higher supports, prices for several grades are averaging lower than last year, and overall auction prices are averaging only 7 percent above a year ago, compared with the 17-percent increase of a year earlier.

Demand for tobacco, especially lower stalk tobacco, may have been weakened by the Federal cigarette excise tax increase scheduled to go into effect January 1, 1983. The 1982 marketing season began a week later than last year, so that the new no-net-cost legislation could be implemented. The Georgia-Florida market opened July 21, and others followed in successive weeks. The market opening was behind crop maturity, so weekly sales opportunities (USDA-sanctioned schedules) have generally been fully used.

A slightly larger share of producers signed up for USDA's "four-leaf" program this year than last. This program allowed growers to plant up to 10 percent additional acreage provided they left the four bottom leaves in the field. About 17 percent participation was recorded beltwide. Many growers who did not sign up used this practice anyway to increase average returns. So far this year, price-support loan receipts have been much higher than 1981's volume.

At auctions through September 9, flue-cured tobacco averaged $1.76 a pound, or about 12 cents above the same period last season (table 15). Some grade averages were higher and some lower. By mid-September, about two-thirds of the crop had been sold, or about the same share as a year earlier.

Loan Receipts Much Above 1981

The price support level for the 1982 flue-cured crop averaged $1.699 a pound. Although the crop outturn was

Table 15—Flue-cured and burley tobacco: Marketing quota and marketings, 1972-82

Year	Quota		Marketings			Effective underquota[1]	Net carryover[2]
	Basic	Effective	Actual	Over-quota	Under-quota		
			Million pounds				
			Flue-cured, types 11-14				
1972	1,071.2	1,056.7	1,022.1	41.2	72.9	68.1	26.8
1973	1,178.7	1,205.6	1,159.0	54.8	100.5	95.3	40.5
1974	1,296.6	1,337.1	1,245.3	50.0	138.9	132.4	82.5
1975	1,491.4	1,572.3	1,414.6	50.9	203.2	192.3	141.0
1976	1,268.1	1,409.1	1,316.0	49.4	139.9	130.2	80.8
1977	1,116.5	1,197.3	1,124.2	42.6	115.2	106.9	64.3
1978	1,117.2	1,181.5	1,205.9	65.6	43.9	41.8	−26.4
1979	1,094.9	1,068.5	973.8	24.8	118.8	117.0	92.2
1980	1,094.4	1,186.5	1,086.1	36.0	137.9	135.1	99.1
1981[3]	1,012.9	1,111.4	1,144.3	64.9	31.3	29.2	−35.6
1982[4]	1,013.0	976.8					
			Burley, type 31				
1972	531.5	611.5	588.6	30.7	45.7	44.6	13.9
1973	559.7	573.6	460.7	11.3	113.1	111.7	100.3
1974	606.5	706.8	610.4	23.0	118.9	104.0	81.0
1975	669.5	750.4	639.9	21.8	127.5	113.4	91.6
1976	634.8	726.4	663.6	33.1	96.2	82.3	49.2
1977	636.2	683.4	612.6	27.2	99.0	80.8	53.6
1978	614.2	667.8	614.2	31.5	88.2	67.6	36.1
1979	614.2	647.8	472.2	12.2	188.6	168.8	155.2
1980	614.4	768.9	557.5	11.6	224.3	200.1	181.8
1981[3]	660.1	841.9	725.6	25.2	143.0	129.4	104.2
1982[4]	680.3	777.8					

[1]Underquota marketings less ineligible carryover. [2]Effective underquota marketings less overquota marketings. [3]Subject to revision. [4]Preliminary.

Compiled from records and reports of Analysis Division, ASCS.

below likely disappearance, much of the leaf is less desirable. Loan receipts through September 9 totaled 142 million pounds, about 23 percent of marketings. In the comparable period of 1980, 6 percent went under loan.

To receive price support, flue-cured growers must certify they did not use DDT, endrin, toxaphene, or TDE pesticides and must designate one or more warehouses within 100 miles of their county seat for selling their crop. Under quota legislation, growers receive price support on marketings up to 110 percent of their farm poundage quota. Marketings above the poundage quota are deducted from the following year's quota. For marketings above 110 percent, growers must pay a penalty of 124.8 cents a pound (75 percent of the average market price for the preceding year).

The August crop report indicates production in 1982 will be about equal to the effective quota, but 1981 production carried over on farms could push marketings 3 percent above the quota. Marketings have exceeded the effective quota in only 2 of the last 10 years (table 16). Some growers have tobacco in excess of their allowable 110 percent. Without additional leasing, such tobacco will have to be carried over on farms, because Stabilization or other firms have no provisions for receiving or processing this tobacco. Where no sales occur, no marketing penalties are assessed.

Disappearance Lower

Last year, disappearance of flue-cured tobacco was about 1 billion pounds, about 3 percent below the previous year's total (table 16). Domestic use fell while exports rose. The 8-percent decline in domestic disappearance reflects lower production of cigarettes, further economies in tobacco use, and use of imported tobacco. Because consumption of cigarettes is declining and leaf costs are rising, domestic disappearance during 1982/83 is likely to continue to decline.

Flue-cured exports rose last year because the U.S. crop was of higher quality and world cigarette production expanded. Among leading importers, Japan, Thailand, Italy, and Spain took more last season. The United Kingdom, West Germany, and the Netherlands took less (tables 17 and 18).

For 1982, exports to most destinations are expected to decline because of this year's lower quality crop and the continuing shift of overseas manufacturers to such suppliers as Zimbabwe and Malawi. For most importing countries, high interest rates and the strong dollar are holding back U.S. leaf purchases this season.

Supplies Increase

Even though the crop is smaller, the larger carryover keeps the flue-cured supply for 1982/83 about the same as last season. Flue-cured acreage for harvest in 1982 is down 12 percent from a year ago, and the national yield is estimated 5 percent lower. About the same yields as last year are indicated for the Eastern North Carolina belt, with lower yields forecast for Georgia-Florida, Border North Carolina and South Carolina, and the Old Belt. The August 1 forecast for flue-cured production was 978 million pounds—16 percent below 1981. Output is down in all belts.

Flue-cured carryover on July 1, 1982, totaled around 2.1 billion pounds, 7 percent below a year earlier. The supply—indicated production plus carryover—is about the same as a year ago. This year's supply is 3.1 times

Table 16—Flue-cured tobacco, types 11-14, and burley tobacco, type 31: Acreage, yields, production, carryover, supply, disappearance, season average price, and price support operations, 1972-82

(Farm-sales weight)

Marketing year	Acreage harvested	Yield per acre	Marketings	Beginning stocks[1]			Total supply
				Manufacturers and others	Under loan	Total	
	Thousand acres	*Pounds*	*Million pounds*				
				Flue-cured, types 11-14			
1973	575.1	2,011	1,159.0	1,347.0	402.3	1,749.3	2,908.3
1974	616.3	2,014	1,245.1	1,330.6	276.7	1,607.3	2,852.4
1975	717.2	1,973	1,414.7	1,471.9	179.9	1,651.8	3,066.5
1976	666.6	1,974	1,316.0	[2]1,539.1	359.2	[2]1,898.3	3,214.3
1977	589.3	1,917	1,124.2	1,517.6	556.9	[3]2,075.0	3,199.2
1978	602.1	2,046	1,205.9	1,517.9	534.0	[3]2,051.9	3,257.8
1979	502.8	1,881	945.8	1,510.8	564.0	2,074.8	3,020.6
1980	551.1	1,957	1,086.1	1,411.0	554.4	1,965.4	3,051.5
1981	540.6	2,162	[4]1,144.3	1,416.8	595.8	2,012.6	3,156.9
1982[5]	476.0	2,055	[6]1,002.8	1,626.4	518.7	2,145.1	3,147.9
				Burley, type 31			
1973	221.1	2,028	461.4	952.5	276.7	1,229.2	1,690.6
1974	260.7	2,350	610.4	931.5	139.2	1,070.7	1,681.1
1975	282.2	2,265	638.3	1,082.4	12.0	1,094.4	1,732.7
1976	285.8	2,376	663.8	[2]1,115.3	44.8	[2]1,160.1	1,823.7
1977	268.6	2,298	612.5	1,162.3	54.9	[3]1,217.2	1,829.7
1978	261.4	2,396	617.6	1,087.0	113.5	[3]1,218.4	1,836.0
1979	238.1	1,873	445.8	1,056.3	155.4	1,211.7	1,657.5
1980	276.6	2,027	557.5	959.5	66.3	1,025.8	1,583.3
1981	331.2	2,203	[4]725.6	1,000.2	0	1,000.2	1,725.8
1982[5]	335.5	2,310	[6]779.1	1,105.0	.8	1,105.8	1,884.9

	Disappearance			Average price per pound	Price support level	Placed under loan	
	Total	Domestic	Exports			Quantity	Percentage of crop
	Million pounds			*Cents*		*Million pounds*	*Percent*
				Flue-cured, types 11-14			
1972	1,183.0	664.2	518.8	85.3	72.7	24.3	2.4
1973	1,301.0	703.0	598.0	88.1	76.6	30.7	2.7
1974	1,200.6	652.3	548.3	105.0	83.3	23.0	1.9
1975	1,193.1	670.6	522.5	99.8	93.2	259.0	18.4
1976	1,148.2	634.0	514.2	110.4	106.0	277.3	21.0
1977	1,147.3	608.2	539.1	117.6	113.8	195.6	17.3
1978	1,182.8	584.1	598.7	135.0	121.0	64.1	5.3
1979	1,083.2	563.2	520.0	140.0	129.3	72.0	7.4
1980	1,038.5	529.6	508.9	144.5	141.5	137.2	12.6
1981	[5]1,011.7	488.8	522.9	166.4	158.7	105.9	9.3
1982					169.9		
				Burley, type 31			
1972	609.6	534.5	75.1	79.2	74.9	22.9	3.9
1973	619.0	533.1	86.8	92.9	78.9	.7	.1
1974	586.7	518.8	67.9	113.7	85.8	2.8	.4
1975	602.5	510.1	92.4	105.5	96.1	50.7	7.9
1976	606.3	489.6	116.8	114.2	109.3	46.6	7.0
1977	611.3	494.8	116.5	120.0	117.3	57.0	9.2
1978	624.3	502.8	121.4	131.2	124.7	67.7	10.8
1979	631.8	498.5	133.3	145.2	133.3	7.3	1.5
1980	583.1	477.6	105.5	165.9	145.9	.0	.0
1981	[7]620.0	[7]475.0	[7]145.0	180.7	163.6	.8	.1
1982					[8]181.3		

[1]July 1 for flue-cured; October 1 for burley. [2]Adjusted for change in conversion factor January 1, 1977. [3]Stocks revision January 1, 1979 report. [4]Excludes production held on farms. [5]August 1, crop estimate. [6]Includes 1981 production held on farms and sold in 1982. [7]Estimated. [8]Subject to change.

Table 17—United States exports of unmanufactured tobacco by types, to principal importing countries, crop years, 1979/80-1981/82[1]

(Declared weight)

Importing country	1979/80	1980/81	1981/82
	Million pounds		
	Flue-cured, types 11-14		
United Kingdom	40.9	32.2	27.5
West Germany	65.8	51.4	44.1
Japan	62.3	58.2	68.2
Netherlands	23.2	20.3	15.8
Thailand	15.0	17.0	18.9
Australia	10.6	8.7	8.3
Italy	15.8	15.5	15.3
Sweden	7.8	7.5	4.0
Norway	4.3	2.7	2.6
Finland	6.6	6.1	6.0
Denmark	6.0	7.3	7.9
Ireland	3.7	2.2	4.3
Belgium-Luxembourg	4.9	5.6	4.9
Switzerland	6.6	8.6	6.9
Republic of Korea	9.8	.1	10.9
Philippines	7.8	6.2	5.1
Spain	14.0	24.9	28.0
Malaysia	6.7	4.6	8.2
Taiwan	24.1	13.2	22.0
Egypt	12.2	10.9	13.5
Other countries	50.5	57.8	48.1
Total	398.6	361.0	369.0
	Burley, type 31		
Italy	10.3	11.1	11.3
Sweden	2.8	.8	.5
Denmark	4.2	.7	1.1
Netherlands	8.9	.6	.5
Japan	9.6	13.6	17.3
West Germany	23.6	17.2	13.3
Switzerland	2.4	5.0	7.9
United Kingdom	1.2	.6	1.7
Thailand	7.6	3.6	8.7
Philippines	3.6	3.1	4.5
Other countries	17.4	10.2	23.3
Total	91.6	66.8	90.2
	Maryland, type 32		
Belgium-Luxembourg	.4	.5	.6
West Germany	.7	1.0	.7
Switzerland	5.1	3.4	2.7
Other countries	1.4	.5	.8
Total	7.6	5.4	4.7
	Ky.-Tenn. fire cured, types 22-23		
Sweden	.7	.4	.2
Netherlands	9.7	8.2	6.9
Belgium-Luxembourg	.9	.4	.1
France	1.8	2.0	.8
Switzerland	.4	.2	.4
Other countries	3.4	2.5	1.8
Total	16.4	13.7	10.2
	Stem, Trimmings, and Scrap[2]		
Sweden	4.5	4.5	1.7
Denmark	8.1	.6	4.0
United Kingdom	7.0	7.7	4.5
West Germany	9.4	11.1	8.7
Japan	13.2	22.6	27.5
Other countires	36.1	24.1	22.2
Total	78.3	71.6	68.5

Importing country	1979/80	1980/81	1981/82[2]
	Thousand pounds		
	Va. fire & sun-cured, types 21 & 37		
Switzerland	15	93	66
Norway	1,778	701	712
Sweden	192	291	150
West Germany	395	101	322
Other countries	856	472	231
Total	3,236	1,658	1,481
	One Sucker, type 35		
Bahamas	13	2	0
Zaire	0	0	0
Other countries	106	0	126
Total	119	2	126
	Green River, type 36		
United Kingdom	13	40	0
Benin (Dahomey)	0	0	0
Zaire	0	0	0
Other countries	2	0	0
Total	15	40	0
	Cigar Filler, types 41-44		
Canada	0	18	0
France	89	163	13
Other countries	154	295	134
Total	243	476	148
	Binder, types 51-55		
Dominican Republic	68	60	0
Switzerland	0	0	0
Canada	75	110	64
Other countries	9	15	2
Total	152	185	66
	Cigar Wrapper, types 61-62		
United Kingdom	633	441	161
West Germany	68	40	0
Canada	58	20	46
Dominican Republic	3,433	2,337	829
Netherlands	363	238	320
Other countries	255	459	42
Total	4,810	3,532	1,398
	Black Fat		
Benin (Dahomey)	1,162	1,764	1,581
Cameroon	272	0	0
Niger	459	430	542
Nigeria	46	359	146
Togo	344	0	132
Other countries	127	456	207
Total	2,410	3,045	2,608

[1]July-June crop year for flue-cured, and cigar wrapper; October-September crop for all other types. [2]Subject to revision. [3]Less than 50,000 pounds.

Detail may not add to total due to rounding. Compiled from publications and records of the Bureau of the Census.

Table 18—U.S. flue-cured tobacco exports: Percentage stemmed form of total, 1974-82

Year ending June 30	(Unstemmed equivalent basis) Destination		
	United Kingdom	Other countries	All countries
		Percent	
1974	99.1	61.7	69.9
1975	98.9	60.1	67.1
1976	99.4	66.1	71.3
1977	99.0	65.3	69.8
1978	94.7	68.7	73.0
1979	87.6	70.7	74.6
1980	93.4	79.2	80.4
1981	95.5	85.4	86.3
1982	91.7	[1]87.8	88.1

[1]Federal Republic of Germany was 84.6 percent.

Table 19—Lease and transfer of allotments and quotas, 1973-82

Year	Flue-cured		Burley
	Thousand acres	*Million pounds*	*Million pounds*
1973	192.9	363.1	57.7
1974	234.1	416.1	81.6
1975	251.4	474.8	99.6
1976	246.7	464.3	113.6
1977	241.6	448.8	124.2
1978	245.8	464.4	142.8
1979	267.7	477.3	130.1
1980	279.2	499.9	140.3
1981[1]	250.8	475.7	185.9
1982[1]	240.5	457.8	80.5

[1]Preliminary. Data for 1963-71 are contained in TS-173, September 1980, p. 19.

Compiled from records of Price Support and Loan Division, ASCS.

prospective use, or well above the desired ratio of 2.5 based on the legislative formula. Marketings this year may about equal use, and so carryover next July 1 may change little from this year.

The relatively high stocks-use ratio and the uncertainty of cigarette sales with the January 1, 1983, tax increase are limiting purchases by domestic manufacturers this auction season. By September, uncommitted loan stocks of 1975-81 flue-cured tobacco—a component of the carryover and supply estimates—were reported at 420 million pounds, up 15 million from a year ago. The loan volume from this year's crop has again boosted loan stocks above 500 million pounds.

BURLEY

Burley tobacco (type 31) goes chiefly for cigarettes. In the marketing year ending September 30, over 70 percent is going for U.S. cigarettes, while exports will take nearly one-fourth, and other domestic products will use the rest. With more adequate supplies, exports will gain this season, while domestic use will be about unchanged.

Disappearance Is Larger

Domestic use of burley tobacco for the year ending September 30 will almost equal the 478 million pounds used in 1980/81 (table 16). With larger exports, total disappearance is expected to rise 6 percent from last season's 583 million pounds. But the carryover will rise also, because of the much larger 1981 crop.

Disappearance for the first 9 months of the marketing year was 480 million pounds, up 14 percent from a year earlier. Domestic use totaled 354 million pounds, down 2 million from last year. Cigarette output dropped 5 percent during that period, so domestic use of burley is more than holding its own.

For the first 9 months, burley exports totaled 126 million pounds, 45 percent above a year earlier. All major destinations—including Japan, Italy, and Germany—took more.

World burley production rose by 11 percent last year, due to the large increase in the United States, which more than offset the decline in the rest of the world. Foreign production dropped 5 percent, with declines in major producing countries such as Brazil, Mexico, and Korea. This year, foreign production may increase. Malawi, Brazil, and Argentina account for the likely rise.

Supplies Increase

The August estimate of the 1982 U.S. burley crop is a record-high 775 million pounds, 6 percent above 1981 and 38 percent above 1980. This season, although the effective quota is smaller, both acreage and yields are up. Although rainfall was excessive in some areas and some burley has been affected by blue mold, yields are anticipated 5 percent higher than last year.

Burley supply for 1982/83 is about 9 percent above last year. The prospective supply is 2.9 times probable disappearance and is a little above the desired ratio, based on the legislative formula of supply representing 2.75 years' disappearance.

U.S. auction sales usually begin in late November. The 1981 crop sold for a record $1.81 a pound. Price supports for 1982 will average $1.81 a pound, 11 percent above 1981, unless they are adjusted downward by the Secretary of Agriculture.

For 1982/83, USDA will provide official grading for both burley tied in hands and untied burley packed straight in bales and offered for sale at auctions. A decision about price supports for tobacco placed in sheets has not yet been made, but it is expected before the marketing season begins.

Table 20—Burley marketing quota, Kentucky, Tennesse, other States, 1980-82

State	Carryover (net)	Basic quota	Effective quota
		Million pounds	
1980			
Kentucky	63.6	409.8	473.4
Tennessee	47.8	112.8	160.6
Other States	44.3	90.9	135.2
1981			
Kentucky	79.1	440.9	520.0
Tennessee	59.8	121.7	181.5
Other States	49.6	97.0	146.6
1982			
Kentucky	33.3	454.8	488.1
Tennessee	32.7	124.8	157.5
Other States	31.6	100.7	132.3

Compiled from records and reports of Price Support and Loan Division, ASCS.

Table 21—Burley tobacco: Percentage of selected groups, quality, and color categories of total, 1972-81

Crop Year	Mixed group	1, 2, 3, quality	Tan color
		Percent	
1972	16.7	50.6	67.0
1973	22.6	47.6	65.7
1974	31.4	40.0	54.7
1975	20.6	34.6	55.9
1976	14.7	45.8	55.8
1977	13.2	31.8	42.1
1978	9.1	37.7	49.5
1979	11.4	33.1	50.9
1980	20.0	26.6	53.3
1981	29.1	24.4	49.7

Compiled from reports of Tobacco Division, AMS

SOUTHERN MARYLAND

Southern Maryland tobacco (type 32), a light air-cured tobacco, goes almost entirely into cigarette production. About one-fourth of the crop is exported.

Use Increases

Disappearance of Maryland tobacco during October 1981-June 1982 totaled 27 million pounds—4 million above a year earlier. Both domestic use and exports were up. Lower average prices for this year's crop were a reflection of poorer quality Maryland tobacco produced in the flue-cured States, outside the traditional production area. High-quality Maryland tobacco brought record prices. By next January 1, carryover will increase from this year's 37 million pounds.

Exports of Maryland tobacco were up the first 9 months of the current marketing year to 6 million pounds. Sales to Switzerland, the major destination, were nearly double. The Netherlands and Belgium also took more, while West Germany took less.

Table 22—Tobacco loan stocks, 1980-82 (Farm-sales weight)

Type	End of August		
	1980	1981	1982[1]
	Million pounds		
Flue-cured, 11-14	575.3	618.5	561.8
Burley, 31	103.5	25.7	.8
Virginia, 21	3.3	2.5	2.3
Kentucky-Tennessee, 22-23	21.3	16.7	13.7
Kentucky-Tennessee, 35-36	5.9	7.1	8.4
Ohio, 42-44	.4	.4	.2
Puerto Rican, 46	7.9	8.7	6.9
Connecticut Valley, 51-52	1.4	1.3	2.3
Wisconsin, 54	(2)	(2)	1.7
Wisconsin, 55	0	.3	4.8
Total	719.0	681.2	602.9
Uncommitted			
Flue-cured, 11-14	503.7	405.0	[3]419.9
Burley, 31	5.5	0	[3].8

[1]July 31. [2]Negligible. [3]August 31.

Compiled from records of Producer Association Division, ASCS.

The crop is estimated at 31 million pounds, 15 million below 1981's crop. Very few growers who planted Maryland tobacco in flue-cured States in 1981 continued to do so in 1982; the 1981 Farm Act provides prohibitive penalties for growing and marketing Maryland tobacco in most quota areas. Even with the smaller 1982 crop, supply for 1982/83 will remain about the same as a year earlier.

FIRE-CURED

Fire-cured tobacco is used for making snuff, plug and twist chewing tobacco, cigars, and smoking tobacco. Nearly half the crop is exported. Prices and production have varied widely over the last 10 years.

Table 23—Southern Maryland tobacco, type 32: Acreage, yield, production, carryover, supply, disappearance season average price, 1973-82

(Farm sales weight)

Marketing Year[1]	Acreage harvested	Yield per acre	Supply			Disappearance			Average price per pound to growers
			Production	Stocks following Jan. 1	Total	Total	Domestic	Exports	
	Thousand acres	*Pounds*	*Million pounds*						*Cents*
1973[2]	27.8	1,260	35.0	43.8	78.8	26.1	13.8	12.3	87.8
1974[2]	26.0	1,260	32.8	51.7	84.5	33.5	25.0	8.5	92.2
1975[2]	23.0	955	22.0	53.6	75.6	35.7	26.0	9.7	107.5
1976[2]	25.0	1,205	30.1	41.9	72.0	29.9	17.4	12.5	110.0
1977[2]	25.0	1,230	30.8	45.3	76.1	29.0	19.6	9.4	115.1
1978[2]	24.0	1,275	30.6	41.9	72.5	31.1	21.1	10.1	123.1
1979[2]	19.5	1.130	22.0	41.3	63.4	33.5	23.6	10.0	139.7
1980[2]	24.0	1,091	26.2	32.6	58.8	27.3	18.6	8.7	[3]169.0
1981[5]	34.2	1,294	44.3	37.0	81.3	[4]35.0	[4]27.0	[4]8.0	[3]155.4
1982[4]	26.2	1,199	31.4	50.0	81.4				

[1]Year beginning October 1. [2]Includes sales and certification. [3]Auction sales. [4]Estimated. [5]Estimated carryover; August 1 crop estimate.

Disappearance Rises

Disappearance of fire-cured tobacco (types 21-23) during the first 9 months of the 1981/82 marketing year (began October 1, 1981) was 26 million pounds, 6 million below a year earlier. Both domestic use and exports declined. During October 1981-June 1982, output of snuff—the major domestic use of fire-cured—was up. But smoking and plug chewing were down.

Estimated disappearance for the year is 34 million pounds, 8 million pounds under last season and below output. Carryover will probably rise about 3 million pounds over last year (table 24).

Compared with last year, exports of fire-cured tobacco for the season now ending are expected to be lower. Exports of 13 million pounds of Kentucky-Tennessee types during the first 9 months were 1.9 million pounds lower than a year earlier. In the same period, Virginia fire-cured exports, 1.8 million pounds, were 40 percent above a year earlier.

Production and Stocks Rise

The August estimate of 1982 fire-cured production was 47 million pounds, 24 percent above last year's crop, resulting from gains in both acreage and yields. Total supplies in 1982/83 will likely increase from this year's 109 million pounds and are expected to be more than 3 times disappearance.

DARK AIR-CURED

Dark air-cured tobacco (types 35-37) is used in plug and twist chewing tobacco, snuff, and also to some extent for smoking tobacco and cigars. Production and use have declined by more than half over the past 2 decades. Exports normally account for one-sixth of annual disappearance.

Use Up; Carryover To Fall

Disappearance of dark air-cured tobacco during the first 9 months was 12 million pounds, 2 million above a year earlier. Both exports and domestic disappearance have increased. Output of chewing tobacco has risen. Despite a lower quality crop, last season's prices gained over 1980/81.

For the year, total disappearance will likely increase by about a million pounds. This would mean a carryover of 39 million pounds, a little above last October 1 (table 25).

Supplies To Increase

The August estimate of this year's dark air-cured crop is 18.5 million pounds—13 percent above last year's crop. Anticipated yields are higher and acreage is estimated to be 2.5 percent higher as well. The larger crop and carryover will bring 1982/83 supplies to about 3 million pounds above last year's 55 million pounds. Supplies represent about 4 times the past season's use—higher than desirable.

CIGAR TOBACCO

Cigar leaf tobaccos (types 41-62) are classified according to primary use—filler, binder, and wrapper. However, looseleaf chewing tobacco now takes most of the filler and binder. Most cigar wrapper tobacco is exported, but exports of binder and filler are negligible.

U.S. cigar leaf output increased last year for the second year in a row following the short crop in 1979. Output will drop this year.

Imports of cigar scrap remained large, but wrapper imports declined by a third. The Philippines and countries in Central and South America are the chief foreign suppliers of cigar tobacco. About 130 million pounds of leaf are used annually for cigars and looseleaf chewing tobacco. Imports account for about 55 percent of the tobacco in these products.

Filler Disappearance Rises

For the first 9 months of 1981/82, disappearance of U.S. cigar filler tobacco (types 41-46) was 32 million pounds, 10 million above a year earlier. In the same period, production of loose leaf chewing tobacco increased. So, for 1981/82, filler disappearance will likely increase about 8 million pounds above a year earlier (table 26).

During October 1981-June 1982, U.S. manufacturers used 54 million pounds of foreign cigar tobacco, 7 million below a year earlier. U.S. stocks of foreign-grown cigar leaf on July 1 totaled 81 million pounds, 8 million below a year earlier.

Cigar Binder Disappearance Up

Cigar binder disappearance during the first 9 months was 18 million pounds, 3 million above a year earlier. For Wisconsin tobacco, loose leaf chewing tobacco remains the major outlet. Output over the last 9 months was up 4 percent from a year earlier.

Disappearance of Connecticut Valley binder for 1981/82 is expected to have risen sharply. Carryover is expected to total about 6 million pounds, a little less than last year. The larger crop was offset by higher use. With stable demand for higher priced cigars expected next year, use may stay at this year's level.

Disappearance of Wisconsin tobacco will likely be up a little from 1980/81. Even so, disappearance will likely be below production and carryover stocks will rise to around 61 million pounds.

Cigar Wrapper Disappearance Reduced

Disappearance of shade-grown cigar wrapper (types 61-62) in the year ending June 30 fell to 5 million pounds, 1 million below a year earlier. Use is off because some manufacturers are shifting further to homogenized leaf. Production in the Connecticut Valley may only be one-third of last year's output. Acreage is off sharply and yields are lower because of excessive rains. Much of the Connecticut Valley crop goes overseas for processing, either to foreign buyers or to U.S. firms' subsidiaries in the Dominican Republic.

U.S. and Puerto Rican Supplies Down

Supplies of U.S. and Puerto Rican cigar tobacco will fall from 1981/82. The crop and the prospective carryover are both lower. Binder supplies are up while wrapper supplies are down. By August 27, unsold loan stocks were 13.2 million pounds, packed weight, about 5.5 million pounds more than last year.

Table 24—Fire-cured tobacco, Kentucky-Tennessee types 22-23, and Virginia fire-cured type 21: Acreage, yield, production, carryover, supply, disappearance, season average price, and price support operations, 1973-82

(Farm-sales weight)

Marketing Year beginning October 1	Acreage harvested	Yield per acre	Production	Beginning stocks: Manufacturers and other	Beginning stocks: Under loan	Beginning stocks: Total	Total supply
	Thousand acres	*Pounds*	*Million pounds*				
	Kentucky-Tennesseee fire-cured, types 22-23						
1973	16.6	1,668	27.7	54.2	3.1	57.3	85.0
1974	16.2	1,602	26.0	44.0	1.1	45.1	71.1
1975	18.4	1,772	32.6	40.5	.1	40.7	73.3
1976	21.2	1,567	33.2	42.6	([1])	42.6	75.8
1977	25.6	1,767	45.2	41.2	([1])	41.2	86.4
1978	27.1	1,898	51.4	50.0	1.0	51.0	102.4
1979	22.1	1,791	39.6	54.0	11.1	65.1	104.7
1980	19.4	1,680	32.6	48.9	19.1	68.0	100.6
1981	20.6	1,578	32.4	48.4	14.7	63.1	95.5
1982[2]	23.2	1,769	41.0			64.5	105.5
	Virginia fire-cured, type 21						
1973	4.7	1,205	5.7	7.6	([1])	7.6	13.3
1974	5.0	1,185	5.9	7.1	—	7.1	13.0
1975	5.0	975	4.9	7.1	.3	7.3	12.2
1976	5.3	1,000	5.3	7.4	([1])	7.4	12.7
1977	7.2	1,000	7.2	7.0	([1])	6.7	13.9
1978	6.1	1,120	6.8	7.9	.8	8.7	15.5
1979	4.8	1,135	5.4	8.2	2.7	10.9	16.3
1980	3.9	935	3.6	6.0	3.3	9.3	12.9
1981	4.1	1,250	5.1	5.7	2.6	8.3	13.2
1982[2]	4.8	1,150	5.5			9.4	14.9

Marketing Year beginning October 1	Disappearance: Total	Disappearance: Domestic	Disappearance: Exports	Average price per pound	Price support level: Quantity	Placed under loan: Percentage of crop	Placed under loan: Percentage of crop
	Million pounds				*Cents*	*Million pounds*	*Percent*
	Kentucky-Tennessee fire-cured, types 22-23						
1973	39.9	15.7	24.2	71.7	53.5	.2	.7
1974	30.3	14.5	15.8	93.4	58.2	.7	2.7
1975	30.7	12.2	18.5	104.7	65.2	.1	.4
1976	34.6	11.2	23.4	142.4	74.1	([1])	—
1977	35.4	17.4	18.0	132.3	79.5	1.1	2.4
1978	37.3	15.1	22.2	112.5	84.6	11.3	22.2
1979	36.7	18.0	18.7	115.2	90.3	11.4	28.8
1980	37.5	19.7	17.8	121.9	98.9	2.1	6.4
1981	[3]31.0	[3]16.0	[3]15.0	161.1	111.0	1.1	3.4
1982					[5]123.0		
	Virginia fire-cured, type 21						
1973	6.2	1.7	4.5	75.5	53.5	([1])	—
1974	5.7	.7	5.0	81.7	58.2	.3	4.5
1975	4.8	1.4	3.4	93.0	65.2	([1])	.9
1976	6.1	[4]2.0	4.1	118.0	74.1	.1	1.5
1977	5.2	2.8	2.4	96.2	79.5	1.0	14.4
1978	4.6	1.0	3.6	94.5	84.6	1.8	26.2
1979	7.0	3.2	3.8	107.9	90.3	.9	16.3
1980	4.6	2.6	2.0	127.4	98.9	.3	7.2
1981	[3]3.3	[3]1.0	[3]2.3	131.2	111.0	.3	5.9
1982					[5]123.0		

[1]Less than 50,000 pounds. [2]Estimated carryover; August 1 crop estimate . [3]Estimated. [4]Includes 400,000 pounds fire loss, December 1976. [5]Subject to change.

Table 25—Dark air-cured tobacco, types 35-36, and Sun-cured tobacco type 37: Acreage, yield, production, carryover, supply, disappearance, season average price, and price operations, 1973-82

(Farm-sales weight)

beginning Oct. 1 Marketing year	Acreage harvested	Yield per acre	Production	Beginning stocks: Manufacturers and other	Beginning stocks: Under loan	Beginning stocks: Total	Total supply
	Thousand acres	*Pounds*		*Million pounds*			
				Dark air-cured, types 35-36			
1973	7.6	1,647	12.4	31.9	12.8	44.7	57.1
1974	7.0	1,653	11.6	31.4	5.5	36.9	48.5
1975	8.0	1,750	14.0	32.7	(1)	32.9	46.9
1976	9.3	1,660	15.1	28.2	—	28.2	43.3
1977	11.2	1,809	20.4	26.1	—	26.1	46.5
1978	11.2	1,969	22.2	30.4	(1)	30.4	52.6
1979	9.7	1,665	16.1	30.0	4.1	34.1	50.2
1980	9.3	1,745	16.2	28.6	5.6	34.2	50.4
1981	9.7	1,614	15.7	29.6	6.8	36.4	52.1
1982[2]	9.9	1,800	17.8			37.1	54.9
				Sun-cured, type 37			
1973	.7	1,320	.9	3.2	0	3.2	4.1
1974	.7	1,315	.9	3.0	0	3.0	3.9
1975	.7	930	.7	2.3	0	2.3	3.0
1976	.7	1,115	.8	2.1	0	2.1	2.9
1977	.8	1,030	.8	1.8	0	1.8	2.6
1978	.7	1,205	.9	1.8	0	1.8	2.7
1979	.5	1,055	.6	2.2	0	2.2	2.8
1980	.4	1,010	.4	2.0	0	2.0	2.4
1981	.5	1,320	.7	1.6	0	1.6	2.5
1982[2]	.6	1,225	.7	1.8	0	1.8	2.7

	Disappearance: Total	Disappearance: Domestic	Disappearance: Exports	Average price per pound	Price support level	Placed under loan: Quantity	Placed under loan: Percentage of crop
	Million pounds			*Cents*		*Million pounds*	*Percent*
				Dark air-cured, types 35-36			
1973	20.2	17.4	2.8	61.9	47.6	(1)	.2
1974	15.6	12.8	2.8	76.9	51.8	.4	3.7
1975	18.7	16.1	2.6	89.8	58.0	.1	.5
1976	17.2	15.1	2.1	116.6	65.9	(1)	—
1977	16.1	13.6	2.4	117.7	70.7	(1)	—
1978	18.4	15.7	2.7	99.1	75.2	4.3	19.7
1979	16.0	14.2	1.8	111.7	80.4	2.2	13.7
1980	13.9	11.6	2.3	126.5	88.0	1.4	8.6
1981	[3]15.0	[3]12.5	[3]2.5	133.1	98.7	1.5	9.3
1982[2]					[5]109.4		
				Sun-cured, type 37			
1973	1.1	.9	.2	69.2	47.6	0	—
1974	1.6	1.3	.3	82.1	51.8	[4]13	1.4
1975	.9	.7	.2	85.5	58.9	0	—
1976	1.1	.9	.2	105.0	65.9	0	—
1977	.8	.6	.1	100.0	70.7	[4]13	1.6
1978	.5	.3	.2	88.8	75.2	[4]109	12.4
1979	.8	.6	.2	90.8	80.4	[4]30	5.2
1980	.8	.7	.1	127.1	88.0	0	0
1981	[3].5	[3].4	[3].1	131.7	98.7	[4]	.6
1982[2]					[5]109.4		

[1]Less than 50,000 pounds. [2]Estimated carryover. August 1 crop estimate. [3]Estimated. [4]Quantity placed under loan in thousands of pounds. [5]Subject to change.

Table 26-Cigar tobacco, types 41-62: Domestic supplies, disappearance, and season average prices, 1973-82
(Farm-sales weight)

Crop Year[1]	Acreage harvested	Yield per acre	Supply: Production	Supply: Beginning stocks[1]	Supply: Total supply	Disappearance: Total	Disappearance: Domestic	Disappearance: Exports	Average price per pound to growers
	Thousand acres	Pounds	Million pounds						Cents
			Pennsylvania Seedleaf Filler (type 41)						
1973	13.0	1,700	22.1	53.7	75.8	28.3	27.5	.8	52.0
1974	13.0	2,000	26.0	47.5	73.5	24.3	24.0	.3	58.0
1975	12.0	1,650	19.8	49.2	69.0	22.2	21.8	.4	58.0
1976	13.5	1,750	23.6	46.8	70.4	20.7	20.3	.4	60.0
1977	13.5	1,940	26.2	49.7	75.9	21.8	21.6	.2	60.0
1978	13.0	1,940	25.2	54.1	79.3	23.6	23.5	.1	62.0
1979	11.2	1,580	17.7	55.7	73.4	24.3	24.0	.3	72.0
1980	13.0	1,900	24.7	49.1	73.8	21.7	21.2	.5	87.0
1981 2/	13.3	2,050	27.3	52.1	79.4	29.0	28.7	.3	80.0
1982 3/	13.0	1,850	24.1	50.4	74.5				
			Ohio, Miami, Valley Filler (types 42-44)						
1973	2.2	1,420	3.1	6.8	9.9	4.0	4.0	--	51.0
1974	2.0	1,530	3.1	5.9	9.0	3.1	3.1	--	59.0
1975	2.1	1,620	3.4	5.9	9.3	3.6	3.6	--	60.0
1976	2.2	1,550	3.4	5.7	9.1	3.1	3.1	--	59.0
1977	1.8	2,025	3.6	6.0	9.6	2.6	2.6	--	62.0
1978	1.6	1,850	3.0	7.0	10.0	3.7	3.7	--	64.0
1979	1.3	1,500	2.0	6.3	8.3	4.5	4.5	--	87.0
1980	1.4	1,700	2.4	3.8	6.2	4.1	4.1	--	107.0
1981 2/	1.7	1,440	2.4	4.0	6.4	4.0	4.0	--	105.0
1982 3/	1.8	1,625	2.9	2.4	5.3				
			Puerto Rico Filler (type 46) 4/						
1973	4.5	1,435	6.5	9.2	15.7	5.7	5.7	--	42.1
1974	2.7	1,477	3.9	10.0	14.0	7.9	7.9	--	45.5
1975	2.7	1,500	4.3	6.1	10.4	3.2	3.2	--	50.7
1976	2.8	1,429	4.1	7.2	11.3	4.9	4.9	--	57.6
1977	2.6	1,480	3.9	6.4	10.3	3.9	3.9	--	60.2
1978	2.2	1,400	3.1	6.4	9.5	2.6	2.6	--	57.0
1979	2.0	1,000	2.0	6.9	8.9	.8	.8	--	69.1
1980	1.1	1,380	1.5	8.1	9.6	1.6	1.6	--	73.5
1981 2/	.4	1,250	0.5	8.0	8.5	2.5	2.5	--	86.0
1982 3/	.8	1,250	1.0	6.0	7.0				
			Total Cigar Filler (types 41-46)						
1973	19.7	1,450	31.7	69.7	101.4	38.0	37.2	.8	49.7
1974	17.7	1,870	33.1	63.4	96.5	35.3	35.0	.3	56.6
1975	16.8	1,687	27.5	61.2	88.5	28.8	28.4	.4	56.2
1976	18.5	1,681	33.1	59.7	90.2	28.1	27.7	.4	59.4
1977	17.9	1,883	33.7	62.1	95.8	28.3	27.0	.3	60.2
1978	16.8	1,863	31.3	67.5	98.8	29.9	29.8	.1	61.5
1979	14.5	1,475	21.7	68.9	90.6	29.6	29.3	.3	73.1
1980	15.5	1,845	28.6	61.0	90.6	27.5	27.0	.5	87.5
1981 2/	15.4	1,926	30.2	64.1	94.3	35.5	35.2	.3	82.2
1982 3/	15.6	1,781	28.0	58.8	86.8				
			Connecticut Valley Binder (types 51-52)						
1973	1.6	1,721	2.7	7.5	10.2	3.2	3.1	.1	72.8
1974	1.5	1,737	2.5	7.0	9.5	3.3	3.1	.2	82.0
1975	1.5	1,582	2.4	6.2	8.6	4.3	4.1	.2	92.7
1976	1.5	1,605	2.4	4.3	6.7	2.4	2.3	.1	89.6
1977	1.4	1,784	2.5	4.3	6.8	1.9	1.9	.*	121.3
1978	1.5	1,734	2.6	4.9	7.5	2.1	2.0	.1	144.9
1979	1.5	1,637	2.4	5.5	7.9	2.2	2.0	.2	161.5
1980	1.5	1,750	2.6	5.7	8.3	2.2	2.0	.2	178.8
1981 2/	1.7	1,998	3.5	6.1	9.6	3.8	3.6	.2	182.1
1982 3/	1.8	1,729	3.0	5.8	8.8				
			Southern Wisconsin Binder (type 54)						
1973	4.9	1,950	9.6	19.4	29.0	10.1	10.1	--	60.5
1974	4.7	2,060	9.7	18.9	28.6	8.8	8.8	--	74.9
1975	5.6	1,945	10.9	19.8	30.7	7.5	7.5	--	75.1
1976	5.6	1,890	10.6	23.2	33.8	10.0	10.0	--	74.7
1977	6.2	2,020	12.5	23.8	36.3	10.2	10.2	--	84.6
1978	6.2	1,800	11.2	26.0	37.2	11.4	11.4	--	100.5
1979	6.3	2,080	13.1	25.8	38.9	--	--	--	117.0
1980	6.3	2,110	13.3	5/	--	--	--	--	125.0
1981 2/	6.3	2,025	12.8	5/	--	--	--	--	113.0
1982 3/	5.0	2,025	10.1						

See footnotes at end of table.

Table 26-Cigar tobacco, types 41-62: Domestic supplies, disappearance, and season average prices, for 1973-82 Cont.
(Farm-sales weight)

Crop year	Acreage harvested	Yield per acre	Supply: Production	Supply: Beginning stocks 1/	Supply: Total supply	Disappearance: Total	Disappearance: Domestic	Disappearance: Exports	Average price per pound to growers
	Thousand acres	Pounds	Million pounds						Cents
			Northern Wisconsin Binder (type 55)						
1973	5.3	1,775	9.4	19.5	28.9	12.0	12.0	.*	60.7
1974	4.7	1,870	8.8	16.9	25.7	9.9	9.9	.*	75.4
1975	5.4	1,835	9.9	15.8	25.7	9.7	9.6	.1	75.1
1976	5.5	1,750	9.6	16.0	25.6	9.4	9.4	.*	75.2
1977	5.8	2,045	11.9	16.2	28.1	9.1	9.1	.1	85.5
1978	5.9	1,550	9.1	19.1	28.2	8.9	8.9	.1	100.5
1979	6.6	1,810	11.9	19.3	31.2	--	--	.1	117.0
1980	6.6	1,920	12.6	5/	--	--	--	--	125.0
1981 2/	7.1	1,875	13.3	5/	--	--	--	--	108.0
1982 3/	5.7	1,900	10.8						
			Total Wisconsin Binder (types 54-55)						
1973	10.2	1,859	19.0	38.9	57.9	22.2	22.2	*	60.6
1974	9.4	1,965	18.5	35.8	54.3	18.7	18.7	*	75.1
1975	11.0	1,891	20.8	35.6	56.4	17.2	17.1	.1	75.1
1976	11.1	1,821	20.2	39.2	59.4	19.4	19.4	*	75.2
1977	12.0	2,032	24.4	40.0	64.4	19.3	19.3	.1	85.0
1978	12.1	1,678	20.3	45.1	65.4	20.1	20.1	*	100.5
1979	12.9	1,942	25.0	45.3	70.3	22.0	22.0	*	117.0
1980	12.9	2,013	26.0	48.9	74.9	18.5	18.5	*	125.0
1981 2/	13.4	1,946	26.1	53.6	79.7	19.0	19.0	*	110.4
1982 3/	10.7	1,958	21.0	60.7	81.7				
			Total Cigar Binder (types 51-55)						
1973	11.8	1,841	21.7	46.4	68.1	25.4	25.3	.1	62.1
1974	10.9	1,934	21.0	42.8	63.8	22.0	21.8	.2	76.0
1975	12.5	1,851	23.2	41.8	65.0	21.5	21.2	.3	76.9
1976	12.6	1,795	22.6	43.5	66.1	21.8	21.6	.2	76.5
1977	13.4	2,007	26.8	44.3	71.1	21.1	21.1	.1	88.4
1978	13.6	1,684	22.9	50.0	72.9	22.2	22.2	.1	105.6
1979	14.4	1,911	27.5	50.8	78.3	24.2	24.0	.2	120.9
1980	14.4	1,985	28.6	54.6	83.2	20.7	20.5	.2	129.9
1981 2/	15.1	1,952	29.6	59.7	89.3	22.8	22.6	.2	118.9
1982 3/	12.5	1,926	24.0	66.5	90.5				
			Connecticut Valley Shade-grown (type 61)						
1973	5.0	1,210	6.1	10.7	16.8	8.3	6.4	1.9	515.0
1974	4.8	1,625	7.8	8.5	16.3	6.8	2.8	3.9	600.0
1975	4.4	1,371	6.0	9.5	15.5	8.0	4.2	3.8	640.0
1976	4.2	1,555	6.6	7.5	14.1	5.2	1.8	3.4	540.0
1977	3.3	1,544	5.1	8.9	14.0	4.7	.5	4.2	600.0
1978	2.7	1,392	3.8	9.3	13.1	5.0	.1	4.9	750.0
1979	2.7	1,472	4.0	8.1	12.1	5.4	.5	4.9	850.0
1980	3.0	1,513	4.5	6.8	11.3	5.8	2.2	3.6	980.0
1981 2/	2.6	1,592	4.1	5.3	9.4	4.5	2.9	1.6	1000.0
1982 3/	1.2	1,205	1.4	4.9	6.3				
			Total Shade-grown (types 61-62) 6/						
1973	7.6	1,280	9.8	17.7	27.5	12.5	10.1	2.4	452.2
1974	6.6	1,652	11.0	15.0	26.0	10.4	6.0	4.4	536.1
1975	5.5	1,409	7.7	15.7	23.4	9.8	5.6	4.2	585.7
1976	4.6	1,565	7.2	13.6	20.8	7.7	3.8	3.8	528.2
1977	3.4	1,547	5.3	13.1	18.4	5.8	1.0	4.8	591.4
1978	2.7	1,392	3.8	12.7	16.5	6.3	1.0	5.3	750.0
1979	2.7	1,472	4.0	10.2	14.2	6.5	1.1	5.4	850.0
1980	3.0	1,513	4.5	7.8	12.3	6.1	2.2	3.9	980.0
1981 2/	2.6	1,592	4.1	6.2	10.3	5.0	3.4	1.6	1000.0
1982 3/	1.2	1,205	1.4	5.3	6.7				
			Grand Total Cigar Tobacco (types 41-62)						
1973	39.1	1,627	63.2	133.8	197.0	75.9	72.6	3.3	116.1
1974	35.2	1,848	65.1	121.2	186.3	67.7	62.8	4.9	142.5
1975	34.8	1,678	58.4	118.6	177.1	60.3	55.4	4.9	135.1
1976	35.7	1,709	61.0	116.8	177.7	58.2	53.7	4.4	121.4
1977	34.7	1,900	65.9	119.5	185.4	55.2	50.0	5.2	114.9
1978	33.1	1,752	58.0	130.1	188.2	58.6	53.2	5.5	122.1
1979	31.6	1,684	53.2	129.9	183.1	59.7	53.8	5.9	156.4
1980	32.9	1,875	61.7	123.4	185.1	55.0	50.4	4.6	175.3
1981 2/	33.1	1,914	63.9	130.0	193.9	63.3	61.2	2.1	161.8
1982 3/	29.3	1,818	53.4	130.6	184.0				

1/October 1 for types 41-55; July 1 for types 61-62. 2/Estimated disappearance. 3/Estimated carryover, August 1 crop estimate. 4/Puerto Rican planting occurs late in calendar year. Price per pound excludes payment by Puerto Rican Government. 5/ Not available. 6/Includes Georgia-Flordia shade-grown, type 62 which has not been grown since 1978. July 1, 1982, stocks were 0.3 million pounds. *Less than 50,000 pounds.

Filler: As of August 1, the Pennsylvania filler crop was indicated at 24 million pounds, about 3 million below 1981. The new crop, plus carryover, will provide a supply slightly lower than last season.

Output of Ohio filler is higher. As of August 1, the crop was 2.9 million pounds, 0.5 million above last season's outturn. Even so, production, combined with carryover, will provide a total 1982/83 supply below that for last year.

Carryover of Puerto Rican filler will remain at about the October 1, 1981, level. Supplies this season may fall from last season's 10 million pounds.

Binder: Cigar binder acreage in the Connecticut Valley is up, but indications are that yield is lower. As of August 1, production was estimated at 3 million pounds, lower than last year. With a lower carryover, supplies will decline.

Acreage of Wisconsin binder tobacco is lower this year. With about the same yield, production is indicated at 21 million pounds, down 5 million. Still, carryover will rise from a year ago, because output is exceeding use. So, supplies will grow in 1982/83.

Wrapper: There is no production of Georgia-Florida wrapper, and the indicated acreage of Connecticut Valley wrapper is down sharply from 1981. Production may be as little as 1.4 million pounds, only about one-third last year's production. Carryover will decline and supply will likely drop to a record low—and only 1.3 times last year's disappearance.

Table 27—Cigar leaf tobacco price support operations, 1978-82 (Farm-sales weight)

Type	Placed under Government loan, crop years				Remaining under loan, end of August				
	1978	1979	1980	1981	1978	1979	1980	1981	1982[1]
	Million pounds								
Ohio,	42-44	0.6	0	0	0.2	0.5	1.0	0.4	0.4
Puerto Rican,	46	2.3	2.0	1.4	0.4	1.9	6.0	7.9	8.7
Conn. Valley,	51-52	([2])	.6	.1	.9	1.0	1.0	1.4	1.3
Southern Wis.,	54	0	0	0	.3	([2])	([2])	([2])	([2])
Northern Wis.,	55	0	0	.3	.8	0	0	0	.3
Total	2.9	2.6	1.8	2.6	3.5	8.0	9.7	10.7	15.9

[1]July 31. [2]Negligible.

Compiled from records of the Producer Associations Division, ASCS.

Table 28—Cigarettes: Estimated world output and exports, specified countries, average 1972-76 annual 1978-81[1]

Country	Average 1972-76	1978	1979	1980	1981	% change 1980-81
	Billions					*Percent*
	Production					
China	575.0	591.0	651.0	760.0	866.0	+14
United States	644.6	695.9	704.4	714.1	734.7	+3
United Kingdom	156.0	157.6	153.1	155.6	147.8	−5
West Germany	138.2	149.7	157.5	157.9	167.8	+6
France	80.0	80.9	77.5	72.5	62.9	−13
Italy	68.0	71.6	68.8	73.1	72.2	−1
Other EC−9[2]	93.7	101.9	110.3	109.2	108.3	−1
Total	535.8	561.6	567.2	568.3	559.1	−2
Soviet Union[3]	364.7	377.4	360.3	365.0	370.0	+1
Japan	278.5	302.6	308.3	303.2	306.2	+1
Brazil	100.6	137.0	137.0	142.7	133.3	−7
Other	1,237.9	1,408.1	1,485.0	1,530.6	1,591.6	+4
Total	3,737.1	4,073.6	4,213.2	4,383.9	4,560.9	+4
	Exports					
United States	46.9	74.4	79.7	82.0	82.6	+1
Bulgaria	56.8	64.2	65.0	66.0	66.0	0
United Kingdom	22.4	28.7	32.1	36.9	40.0	+8
Switzerland	11.1	14.3	11.3	12.8	13.8	+8
West Germany	12.4	27.8	33.4	31.6	36.9	+17
Netherlands	12.2	20.4	26.0	30.1	28.0	−7
Other	41.3	49.4	54.4	63.4	72.5	+14
Total	203.1	279.2	301.9	322.8	339.8	+5

[1]Estimates included in absence of reasonable data. [2]Belgium-Luxembourg, Denmark, Greece, Ireland, Netherlands. [3]Includes Papyrosy.

Compiled from USDA, FAS, Foreign Agriculture Circular, FT 7-82, July 1982.

Table 29—Estimated leaf used for cigarettes by kinds of tobacco, 1950-81

Year	Farm-sales weight				Unstemmed-processing weight				
	Flue-cured	Burley	Maryland	Total domestic	Flue-cured	Burley	Maryland	Imported	Total
	Million pounds								
Average									
1950-54	736	421	23	1,180	651	373	22	73	1,119
1955-59	701	417	20	1,138	622	371	19	92	1,104
1960-64	742	455	16	1,213	661	404	16	123	1,204
1965-69	666	477	21	1,164	594	426	21	150	1,191
1970	613	448	27	1,088	548	400	27	163	1,138
1971	596	432	24	1,052	532	386	24	165	1,107
1972	621	460	16	1,097	555	411	16	193	1,175
1973	659	485	14	1,158	588	433	14	196	1,231
1974	625	468	13	1,106	558	418	13	213	1,202
1975	614	471	26	1,111	548	420	25	231	1,224
1976	634	472	22	1,128	566	421	22	237	1,246
1977	588	454	16	1,058	525	405	16	242	1,188
1978	576	459	20	1,055	514	410	19	284	1,227
1979	556	462	22	1,040	494	413	22	348	1,277
1980[1]	537	456	22	1,015	479	407	22	350	1,258
1981[1]	500	441	21	962	446	394	21	389	1,250
	Per 1,000 cigarettes								
	Pounds								
Average:									
1950-54	1.776	1.016	.057	2.849	1.571	.899	.053	.177	2.700
1955-59	1.570	.936	.045	2.551	1.394	.832	.042	.205	2.473
1960-64	1.396	.854	.030	2.280	1.242	.761	.030	.231	2.264
1965-69	1.174	.840	.037	2.051	1.048	.751	.036	.264	2.098
1970	1.051	.768	.046	1.865	.940	.686	.047	.279	1.951
1971	1.034	.749	.042	1.825	.923	.669	.042	.286	1.920
1972	1.037	.768	.027	1.832	.926	.686	.027	.322	1.961
1973	1.023	.752	.022	1.797	.913	.672	.022	.304	1.911
1974	.984	.737	.020	1.741	.880	.658	.020	.335	1.893
1975	.943	.723	.040	1.706	.842	.645	.038	.355	1.880
1976	.914	.681	.032	1.627	.816	.607	.031	.342	1.797
1977	.883	.682	.024	1.589	.789	.608	.024	.363	1.784
1978	.827	.660	.029	1.516	.739	.589	.027	.408	1.763
1979	.789	.656	.031	1.476	.701	.587	.031	.494	1.813
1980[1]	.752	.639	.031	1.421	.671	.570	.031	.490	1.762
1981[1]	.681	.600	.029	1.310	.607	.536	.029	.529	1.702
	Percentage distribution								
	Percent								
Average:									
1950-54	62.4	35.6	2.0	100.0	58.2	33.3	2.0	6.5	100.0
1955-59	61.6	36.7	1.7	100.0	56.3	33.6	1.7	8.3	100.0
1960-64	61.2	37.5	1.3	100.0	54.9	33.6	1.3	10.2	100.0
1965-69	57.2	41.0	1.8	100.0	49.9	35.8	1.8	12.6	100.0
1970	56.3	41.2	2.5	100.0	48.2	35.1	2.4	14.3	100.0
1971	56.7	41.0	2.3	100.0	48.1	34.8	2.2	14.9	100.0
1972	56.6	41.9	1.5	100.0	47.2	35.0	1.4	16.4	100.0
1973	56.9	41.8	1.2	100.0	47.8	35.2	1.1	15.9	100.0
1974	56.5	42.3	1.2	100.0	46.5	34.8	1.0	17.7	100.0
1975	55.3	42.4	2.3	100.0	44.8	34.3	2.0	18.9	100.0
1976	56.2	41.8	2.0	100.0	45.4	33.8	1.8	19.0	100.0
1977	55.6	42.9	1.5	100.0	44.1	34.2	1.3	20.4	100.0
1978	54.6	43.5	1.9	100.0	42.0	33.4	1.5	23.1	100.0
1979	53.5	44.4	2.1	100.0	38.7	32.3	1.7	27.3	100.0
1980[1]	52.9	44.9	2.2	100.0	38.1	32.3	1.8	27.8	100.0
1981[1]	52.0	45.8	2.2	100.0	35.7	31.5	1.7	31.1	100.0

[1]Subject to revision.

Table 30—Expenditures for tobacco products and disposable personal income, 1973-82

Year	Total	Cigarettes	Cigars[1]	Other[2]	Disposable personal income	Percent of disposable personal income spent on tobacco products			
						All	Cigarettes	Cigars[1]	Other[2]
	Million dollars				*Billion dollars*	*Percent*			
1973	13,485	12,325	730	430	914	1.50	1.37	.08	.05
1974	14,475	13,270	705	500	998	1.47	1.35	.07	.05
1975	15,505	14,250	680	575	1,096	1.43	1.32	.06	.05
1976	16,410	15,100	675	625	1,194	1.39	1.28	.06	.05
1977	17,190	15,850	665	675	1,312	1.32	1.22	.05	.05
1978	18,030	16,600	680	750	1,463	1.24	1.14	.05	.05
1979	19,150	17,650	670	830	1,642	1.17	1.08	.04	.05
1980	21,000	19,400	670	930	1,822	1.15	1.06	.04	.05
1981[3]	22,950	21,200	710	1,040	2,016	1.13	1.04	.04	.05
1982[4]	24,660	22,800	770	1,090	2,160	1.14	1.06	.03	.05

[1]Includes small cigars (cigarette-size). [2]Smoking tobacco, chewing tobacco, and snuff. Compiled from reports of Department of Commerce, Bureau of Economic Analysis. [3]Subject to revision. [4]Estimated.

Table 31—Governmental revenues from tobacco products, 1972-82

Year ending June 30	Federal Government				State and local Governments		All government
	Cigarettes[1]	Cigars[2]	Other[3]	Total[4]	State	Local	
	Million dollars						
1971-72	2,151	54	2	2,207	2,831	168	5,206
1972-73	2,221	54	2	2,277	3,112	174	5,564
1973-74	2,383	52	2	2,437	3,250	117	5,804
1974-75	2,261	51	3	2,315	3,286	109	5,710
1975-76	2,435	50	3	2,488	3,462	119	6,069
1976-77	2,279	39	4	2,322	3,500	131	5,953
1977-78	2,374	38	4	2,416	3,654	132	6,202
1978-79	2,356	36	5	2,397	3,640	133	6,170
1979-80[4]	2,604	40	4	2,648	3,730	132	[5]6,510
1980-81	2,488	41	4	2,533	[5]3,880	[5]132	[5]6,545

[1]Includes large cigarettes. [2]Includes small cigars and revenue on cigars from Puerto Rico covered into the Treasury of Puerto Rico. [3]Includes cigarette paper and tubes, and imported cigarettes and cigars. [4]Subject to revision. [5]Estimated.

Compiled from reports of the Internal Revenue Service and the Bureau of the Census.

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COSTS OF PRODUCING AND SELLING FLUE-CURED TOBACCO: 1980, PRELIMINARY 1981, AND PROJECTED 1982

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ABSTRACT: For producing and selling flue-cured tobacco, variable costs per acre are expected to rise 6 percent in 1982. Total costs per acre, excluding land and quota costs, are expected to increase 5 percent, compared with a 12-percent hike in 1981. A large part of the 1982 cost increase comes from the addition of contributions to the no-net-cost fund and from inspection and grading fees. Costs per pound are estimated to increase somewhat more than costs per acre because of lower expected yields.

KEYWORDS: Flue-cured tobacco, variable costs, total costs.

The major source of data for the cost estimates in this article was a 1979 survey of 1,033 flue-cured tobacco producers in the flue-cured belt. The 1979 data have been updated to obtain national cost estimates for 1980, 1981, and 1982.[1] Costs reported here are averaged to represent all flue-cured growers in the United States. Although costs vary widely because of differences in tobacco grown per farm, harvest methods used, management, labor productivity, and a host of other factors, variability of costs is not shown in this article. Approximately 60 separate production systems were budgeted, reflecting cost differences by region, acres of tobacco grown, and various harvest methods. The results were totaled using the relative importance of each system to obtain the average. Harvest system weights were changed for each year to reflect increased use of labor-saving bulk barns and mechanical harvesters.

Budget items are detailed in the stub of the table. Labor costs are included for all labor used. Hired, family, and exchange labor are all charged at prevailing farm wage rates. Machinery and barn ownership costs are based on the current cost of replacing the barn or piece of equipment. The replacement cost concept represents the annual contribution needed to maintain a reserve to purchase new equipment or barns when existing ones must be replaced. General farm overhead includes costs for record-keeping, utilities, and other items that are difficult to allocate to specific enterprises.

Two additional cost components, management and land and quota (license to produce and sell tobacco), are also estimated. The management charge was computed as 10 percent of the variable, machinery and barn ownership, and general farm overhead costs. The charge for land and quota was calculated using the net share-rent approach. Net share-rent is what is left after landlord payments for fertilizer, chemicals, and other inputs, together with barn ownership costs, are subtracted from the value of the landlord's share of the crop under prevailing share-rent arrangements.

Crop values, used for calculating net share-rent and sales fees, were computed for 1980 and 1981 using the average annual price received by farmers; 1980 and 1981 yields were based on actual yields, and 1982 yields were the average of the last 10 years. The average price for the 1982 crop is not yet known, so a price of $1.80 per pound is assumed.

Cost Changes, 1980 to 1981

Variable costs per acre increased 10 percent between 1980 and 1981 (table 1). Because yields were higher in 1981, variable costs per 100 pounds were slightly lower.

About 60 percent of variable costs are composed of labor and curing fuel and electricity. Curing fuel and electricity costs rose 13 percent an acre because of increased costs of processing and supplying fuels. Fertilizer and lime costs increased 9 percent an acre. Labor costs rose only 4 percent because growers continued to adopt labor-saving harvesting techniques.

Machinery and barn ownership costs jumped 22 percent an acre. Material and labor costs for manufacturing these products rose during this period, together with interest rates.

Total costs, excluding land and quota, increased 12 percent from $1,851 to $2,076 an acre. Land and quota charges based on the share-rent approach added $897 an acre to costs in 1981—up from $695 in 1980.

Cost Changes, 1981 to 1982

Per acre variable costs in 1982 are projected at $1,535 per acre, 6 percent higher than in 1981 (table 1). A large part of the boost comes from the addition of contributions to the no-net-cost fund and from inspection and grading fees that did not apply last year. Total costs per acre, excluding land and quota, are expected to be $2,190 per acre, up 5 percent. However, total costs per pound are estimated 14 percent higher than in 1981 because yields are expected to be lower. Per acre costs of fuel and fertilizer are lower than in 1981.

Wage rates continue to rise. Labor costs are expected to be 5 percent higher than a year ago. To partially offset increased wage rates, farmers continue to adopt labor-saving bulk barns and mechanical harvesters and to expand the size of their operations.

[1]For a more complete discussion of concepts and procedures that underlie flue-cured production costs, see ERS-667, "Flue-Cured Tobacco Production Costs," October 1981.

Machinery and barn ownership costs are estimated to be 6 percent higher in 1982. Both labor and material costs of barns and machinery have risen, but the rate of increase has slowed.

Land and quota costs based on the net share-rent approach were valued at $918 an acre or $46 per 100 pounds. These costs rose by 2 percent an acre in 1982 because higher prices paid for tobacco more than offset the increase in costs of landlords' inputs.

Conclusions

The costs of producing and selling an acre of flue-cured tobacco excluding land and quota will likely total about 5 percent higher in 1982, somewhat slower than 1981's 12 percent. Key factors in the slower rate are the declines in fuel and fertilizer costs and an estimated slower rate of increase in most other costs. The rise would have been only 2 percent without the no-net-cost fund contributions and inspection and grading fees.

Table 1--Flue-cured tobacco: Production costs per acre and per 100 pounds, by cost item, 1980, preliminary 1981, and projected 1982

Cost Item	Year					
	Cost per acre			Cost per 100 pounds		
	1980	1981	1982	1980	1981	1982
	- - - dollars - - -					
Variable	1319.99	1449.89	1535.50	67.45	67.06	76.78
Labor 1/	540.99	564.35	595.11	27.64	26.10	29.76
Plant bed materials 2/	42.69	48.14	49.47	2.18	2.23	2.47
Fertilizer & lime	89.75	98.11	93.93	4.59	4.54	4.70
Pesticides 3/	74.15	80.50	86.62	3.79	3.72	4.33
Sucker control	33.06	37.12	39.07	1.69	1.72	1.95
Fuel & lubrication 4/	64.18	76.47	71.41	3.28	3.54	3.57
Curing fuel & electricity 5/	255.88	289.59	267.58	13.08	13.39	13.38
Repairs 6/	57.89	63.62	64.69	2.96	2.94	3.23
Marketing fee	85.75	105.95	108.10	4.38	4.90	5.41
No-net-cost fund 7/	---	---	60.00	---	---	0.55
Inspection & grading fee 7/	---	---	11.00	---	---	3.00
Other 8/	57.61	63.64	64.18	2.94	2.94	3.21
Interest	18.04	22.40	24.34	0.92	1.04	1.22
Machinery & barn ownership	326.78	398.35	420.92	16.70	18.42	21.05
Replacement	167.13	194.12	198.58	8.54	8.98	9.93
Interest	130.52	170.87	188.01	6.67	7.90	9.40
Taxes & insurance	29.13	33.36	34.33	1.49	1.54	1.72
General farm overhead	35.52	38.87	40.71	1.82	1.80	2.04
Management 9/	168.22	188.71	192.60	8.60	8.73	9.63
Total, excluding land & quota	1850.51	2075.80	2189.73	94.57	96.01	109.50
Land & quota allocation:						
Share-rent 10/	695.04	896.69	918.30	35.52	41.47	45.92
Yield per acre (pounds)	1957	2162	2000	1957	2162	2000

1/ Includes operator, family, exchange, and hired labor valued at prevailing hired wage rates.
2/ Includes plant bed seed, fertilizer, pesticides, and custom fumigation.
3/ Includes insecticides, herbicides, and fungicides.
4/ Includes tractor and machinery fuel and lubrication.
5/ Includes cost of LP gas, fuel oil, or diesel and electricity used to cure tobacco.
6/ Includes machinery, equipment, and barn repairs.
7/ Not applicable to 1980 and 1981 crops.
8/ Includes sticks, twine, sheets, cover crop seed, and tobacco crop insurance.
9/ Based on 10 percent of all costs listed above.
10/ Based on net share-rent approach.

STATISTICAL SUMMARY

Item	Unit or base period	1981 JULY	1981 AUGUST	1982 JUNE	1982 JULY	1982 AUGUST	Last data as percentage of a year earlier
Average price at auctions							
Flue-cured	Ct. per lb.	160.0	163.5	Closed	151.5	178.0	109
Burley	Ct. per lb.	Closed			Closed		
Maryland	Ct. per lb.	Closed			Closed		
Virginia fire-cured	Ct. per lb.	Closed			Closed		
Ky.-Tenn. fire-cured	Ct. per lb.	Closed			Closed		
Ky.-Tenn. dark air-cured	Ct. per lb.	Closed			Closed		
Virginia sun-cured	Ct. per lb.	Closed			Closed		
Price support level 1/							
Flue-cured	Ct. per lb.	158.7			169.9		107
Burley	Ct. per lb.	163.6			181.3		111
Virginia fire-cured	Ct. per lb.	111.0			123.0		111
Ky.-Tenn. fire-cured	Ct. per lb.	111.0			123.0		111
Ky.-Tenn. dark air-cured	Ct. per-lb.	98.7			109.4		111
Virginia sun-cured	Ct. per lb.	98.7			109.4		111
Connecticut Valley cigar binder	Ct. per lb.	113.3			125.5		111
Wis. binder and Ohio filler	Ct. per lb.	81.8			90.7		111
Puerto Rican filler	Ct. per lb.	84.9			94.1		111
Parity index 2/	1910-14=100	1,035	1,038	1,073	1,077	1,076	104
Industrial production index 3/	1967=100	153.9	153.6	138.2	138.1	---	90
Employment	Mil.	100.9	100.8	99.8	99.7	--	99
Personal income 4/	Bil. dol.	2,436.3	2,459.6	2,567.3	2,592.3	--	106
		1981 JUNE	1981 JULY	1982 MAY	1982 JUNE	1982 JULY	
Taxable removals							
Cigarettes	Bil.	56.5	51.1	48.2	60.6		107
Cigars and cigarillos	Mil.	387.9	287.7	317.2	348.6		90
Accumulated from Jan. 1							
Cigarettes	Bil.	319.6	370.7	255.1	315.7		99
Cigars and cigarillos	Mil.	1,950.2	2,237.9	1,488.3	1,836.8		94
Invoiced to domestic customers							
Accumulated from Jan. 1							
Smoking tobacco	Mil. lb.	7.6		7.0			92
Chewing tobacco 14/	Mil. lb.	23.8 14/		23.6 14/			99
Snuff 14/	Mil. lb.	10.8 14/		11.4 14/			106
Tax-exempt removals							
Cigarettes	Bil.	8.0	6.8	5.9	6.3		79
Exports	Bil.	6.2	6.2	5.7	5.8	4.5	73
Cigars and cigarillos	Mil.	12.6	14.8	14.6	16.0		127
Accumulated from Jan. 1							
Cigarettes	Bil.	48.0	54.7	42.6	48.8		102
Exports	Bil.	42.7	48.9	33.1	38.9	43.4	102
Cigars and cigarillos	Mil.	77.5	92.2	68.2	84.2		109
Invoiced for export							
Accumulated from Jan. 1							
Smoking tobacco	Mil. lb.	.2		.2			100
Chewing tobacco	Mil. lb.	*		*			---
Producer price indexes 5/							
Tobacco products	1967=100	268.4	268.3	306.7	306.7	311.3	116
Cigarettes (filtertip, king size)	1967=100	272.8	272.8	311.6	311.6	317.8	116
Cigars	1967=100	165.3	169.3	176.3	176.3	176.3	104
Smoking tobacco	1967=100	296.4	296.4	327.6	327.6	331.9	112
Plug chewing tobacco	1967=100	352.1	352.1	386.5	386.5	393.2	112
Snuff	1967=100	326.1	328.0	359.6	359.6	359.6	110
Consumer price indexes (urban)							
Tobacco products	1967=100	219.1	219.3	236.6	237.0	239.2	109
Cigarettes	1967=100	221.4	221.6	239.6	239.9	242.2	109
Other tobacco products 6/	Dec. 1977=100	132.3	132.5	141.1	142.0	142.1	107
Imports of tobacco (for consumption)							
Cigarette leaf	Mil. lb.	12.3	11.2	15.5	14.4	11.4	102
Cigar tobacco (leaf and scrap)	Mil. lb.	3.4	4.1	4.2	4.7	2.7	66
Other tobacco (leaf and scrap)	Mil. lb.	11.9	13.8	8.2	12.5	9.3	67
Accumulated from Jan. 1							
Cigarette leaf	Mil. lb.	130.3	141.5	77.3	92.2	103.6	73
Cigar tobacco (leaf and scrap)	Mil. lb.	26.9	31.0	17.2	21.9	24.6	79
Other scrap and tobacco NSPF 7/	Mil. lb.	55.2	69.0	37.8	50.3	59.6	86

See footnotes at end of table.

STATISTICAL SUMMARY--CONTINUED

Item	Unit or base period	1981 JUNE	1981 JULY	1982 MAY	1982 JUNE	1982 JULY	Last data as percentage of a year earlier
Exports of leaf tobacco (farm-sales weight)							
Flue-cured	Mil. lb.	30.7	22.8	40.0	28.0	21.7	95
Burley	Mil. lb.	17.1	10.3	24.5	15.1	5.9	57
Maryland	Mil. lb.	.4	2.8	.3	1.9	1.4	50
Virginia fire- & sun-cured	Mil. lb.	.2	.4	.2	*	.1	25
Ky.-Tenn. fire-cured	Mil. lb.	2.1	1.8	1.0	1.7	1.3	72
Ky.-Tenn. dark air-cured	Mil. lb.	.1	.2	.3	.2	.1	50
Cigar wrapper	Mil. lb.	.7	.2	.1	.1	*	14
Cigar binder	Mil. lb.	*	*	*	*	*	--
Accumulated from beginning of marketing year 8/							
Flue-cured	Mil. lb.	508.9		494.9	523.0		103
Burley	Mil. lb.	86.4	96.8	110.5	125.6	131.5	136
Maryland	Mil. lb.	4.3	7.1	4.3	6.2	7.7	108
Virginia fire- & sun-cured	Mil. lb.	1.3	1.7	1.9	1.9	2.0	118
Ky.-Tenn. fire-cured 9/	Mil. lb.	14.0	15.8	10.2	12.0	13.3	84
Ky.-Tenn. dark air-cured 9/	Mil. lb.	1.7	1.9	1.6	1.8	1.9	100
Cigar wrapper	Mil. lb.	4.0		1.4	1.6		40
Cigar binder	Mil. lb.	.2	.2	.1	.1	.1	50
Cigar filler	Mil. lb.	.5	.5	.1	.2	.2	40
Exports of manufactured tobacco in bulk and not elsewhere classified 10/	Mil. lb.	1.1	2.3	.6	2.0	1.2	52
Accumulated from Jan. 1	Mil. lb.	5.2	7.5	7.5	9.5	10.8	144
		Quarterly data					
		1981 April-June	1981 July-Sept	1982 April-June	1982 July-Sept		
Stocks of tobacco--1st of quarter (farm-sales weight) 11/							
Domestic types							
Flue-cured	Mil. lb.	2,231	2,013	2,328	2,145		107
Burley	Mil. lb.	1,297	1,141	1,426	1,246		109
Maryland	Mil. lb.	28	42	40	55		131
Fire-cured	Mil. lb.	92	81	96	83		102
Dark air- and sun-cured	Mil. lb.	46	43	47	43		100
Cigar filler	Mil. lb.	73	68	72	67		99
Cigar binder	Mil. lb.	71	68	72	71		104
Cigar wrapper	Mil. lb.	6	6	5	2		33
Under Government loan 12/	Mil. lb.	710	663	575	555		84
Foreign types							
Cigarette and smoking	Mil. lb.	684	729	799	874		120
Oriental	Mil. lb.	332	324	395	403		124
Flue-cured	Mil. lb.	140	161	141	200		124
Burley	Mil. lb.	211	244	263	271		111
Cigar	Mil. lb.	91	89	93	81		91
Tobacco outlets 13/							
Seasonally adjusted data, annual rates, for charts, p. 2							
Cigarettes							
Production	Bil.	712.5	691.4	684.2	703.6		102
Tax-paid removals	Bil.	633.5	611.7	618.8	622.5		102
Cigar production							
Large	Bil.	3.93	4.06	4.08	4.18		103
Small	Bil.	1.34	1.37	1.22	1.27		93
Smoking production	Mil. lb.	29.1	30.4	27.6	28.0		92
Chewing production							
Loose leaf	Mil. lb.	71.2	72.0	75.2	74.4		103
Plug and other	Mil. lb.	35.2	34.0	N.A.	N.A.		--
Snuff production	Mil. lb.	24.2	24.6	N.A.	N.A.		--
Exports of leaf							
Total	Mil. lb.	712.4	664	712	630		95
Flue-cured	Mil. lb.	469.9	503	432	472		94

1/ 1981 and 1982 crops, respectively. 2/ Prices paid by farmers including interest, taxes and wage rates. 3/ Seasonally adjusted. 4/ Seasonally adjusted, annual rate. 5/ Federal and applicable state and local taxes included. 6/ Includes tobacco accessories. 7/ Farm-sales weight equivalent. 8/ July 1 for flue-cured and cigar wrapper and October 1 for others. 9/ Includes Black Fat. 10/ Smoking tobacco in bulk through December 1977. Beginning January 1978 blended strips no longer included. 11/ Holdings of manufacturers and dealers, including grower cooperatives. 12/ Reported by grower cooperatives. 13/ Latest quarter is estimated. *Less than 50,000 pounds. **Estimated. Detail may not add due to rounding. 14/ New product classification.

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